

12-1 Policy**12-1.1 Purpose**

To establish uniform procedures in relocation assistance that will assure legal entitlements and provide fair and consistent treatment to persons displaced by projects administered by the Washington State Department of Transportation (WSDOT).

12-1.2 Authority

- A. Title 42, United States Code (USC), 4601-4665 (Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970), Public Law 91-646, Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (1987 Amendments), Public Law 100-17, 101 Stat. 246-256.
- B. The Revised Code of Washington (RCW), Chapter 8.26.
- C. The Washington Administrative Code (WAC), Chapter 468-100.

12-2 Responsibility**12-2.1 Applicability**

- A. The provisions of this chapter are applicable to any person who is displaced by any project (see Section 12-4.1, Definitions, Displaced Person).
- B. Parcel files are not closed unless all payments have been made and all assistance and assurances have been provided to eligible displacees as required by this chapter.

12-2.2 Assurances

- A. WSDOT assures that:
 - 1. The relocation program is realistic and adequate to provide orderly, timely, and efficient relocation of displaced persons as provided in this chapter. Relocation assistance problems will be analyzed in a relocation plan for the project. In hardship cases or for protective buying, an analysis of the relocation problems involved and a specific plan to resolve such problems will be provided for each parcel or for the project.
 - 2. Within a reasonable period of time prior to displacement, comparable replacement dwellings will be available or provided for displaced individuals and families as defined in this chapter. The displacees will receive written notice providing the address of at least one and preferably three comparable replacement(s) used in determining the replacement housing benefits.

3. To the greatest extent practicable, no person lawfully occupying real property will be required to move from the acquired dwelling, business, or farm operation, without at least ninety (90) days written notice from WSDOT of the date by which such move is required.
- B. WSDOT assures that it will not proceed with any construction project within right of way acquired by the agency, UNLESS:
 1. Relocation payments and services are provided as set forth in this chapter.
 2. The public is adequately informed of the relocation payments and services available as set forth in this chapter.

12-2.3 Organization

- A. WSDOT administers the Relocation Assistance Program for all its own acquisitions and may supervise such program with respect to local agencies engaged in acquisitions for local road and transportation projects in accordance with this chapter.
- B. The primary responsibility for the administration and supervision of the program rests with the Assistant Director, Relocation Assistance Program (ADRAP).
- C. One or more individuals whose direct responsibility is to provide relocation assistance are assigned to each right of way project where relocation will occur. These individuals may have responsibility for more than one project where reasonable.

12-2.4 Transaction Reviews

12-2.4.1 Acquisitions

12-2.4.1.1 Region Review

The Region Relocation Supervisor:

- A. Verifies that the Relocation Eligibility Report has been completed and transmitted to Headquarters.
- B. Verifies that the Relocation Assistance Brochure has been delivered to the displaced person(s).
- C. Verifies that all the proper notices have been given to the displaced person(s).
- D. Assures that all appropriate relocation benefits have been calculated and presented to the displaced person(s).
- E. Determines the need for any revisions or recomputations of relocation benefits.
- F. Verifies that all computer entries have been made.

12-2.4.1.2 Headquarters Review

- A. Verifies that all necessary and appropriate documentation has been obtained and transmitted to Headquarters.
- B. Reviews and approves all benefit calculations submitted by region relocation agents.

- C. Approves relocation claims and authorizes payments.
- D. Verifies that all computer entries have been made.
- E. Assures that advance payments are properly deducted from total relocation benefit.
- F. Assures that any rent owing to WSDOT is deducted from relocation benefits, if needed.

12-2.4.2 Condemnations

12-2.4.2.1 General

After a parcel is turned in for condemnation, all contact with the owner should be through the owner's attorney and the State's Assistant Attorney General assigned to the case unless direct contact is authorized by the attorneys or the displaced person. The region makes all appropriate contacts with tenants. Relocation efforts should continue with the displaced persons(s) unless directed to cease by either attorney or the displaced person.

12-2.4.2.2 Possession and Use Agreements

During the course of negotiations, an owner may sign a possession and use agreement whereby the grantor provides WSDOT with physical possession of the parcel in exchange for payment of just compensation. Although full legal ownership of the parcel is still held by the grantor until final negotiation or court settlement, a replacement housing payment can be made by using a "Provisional Payment Agreement" (see Chapter 13).

12-2.4.3 Post-Judgment

12-2.4.3.1 General

As soon as possible after a verdict or judgment is entered in a condemnation case, the region takes appropriate action to complete the relocation process for the eligible displacees and to take physical possession of the property acquired, if not already done.

12-2.4.3.2 Moving Expense

Moving expense payments are handled and processed as for any other displacee.

12-2.4.3.3 Price Differential

A price differential previously calculated and delivered to the displacee by written notice may have to be adjusted when the verdict or judgment differs from the determination of value used as a base for the prior computation. Such judgment will be treated as an administrative settlement for purposes of calculating the actual price differential to be paid to the displacees.

- A. In cases of stipulated judgments, the Attorney General's Office will usually be able to provide enough information to determine the acquisition price.
- B. In case of trial to the court or a jury, the result may be a single dollar figure with no explanation, and the basis for a price differential is derived from that plus any additional information that may be gleaned from the State's appraisal or from the Attorney General's report.

- C. In computing price differentials based on judgments (or administrative/stipulated settlements), the following areas are considered:
 - 1. The State's "acquisition price" is determined in the same manner as described under the definition of acquisition price in Section 12-4.1.
 - 2. In the case of a partial taking or carve out, where the verdict or administrative/stipulated settlement or the voucher does not identify the amount being added for land versus improvements and/or for damages or if no insight is available from the State's attorney or others directly involved, it is necessary to use the proportions as determined from the State's appraisal and apply them to the amount of the settlement that is in excess of the State's appraisal.

12-2.5 Records

- A. The department shall maintain adequate records of its relocation assistance activities in sufficient detail to demonstrate compliance with the statutes and regulations.
 - 1. The official repository for relocation records shall be in Headquarters.
 - 2. The records shall be retained in Headquarters for the record retention period established by the department.
 - 3. All original records, unless originals are delivered to other persons, shall be submitted to Headquarters for retention. Where original are delivered to others, legible copies should be submitted.
- B. Many of the relocation records will be kept on various relocation forms. Copies of these forms are shown in Chapter 13 of this manual.
- C. Certain records are also maintained in the computer data base.
- D. Relocation records will be available for inspection in Headquarters during regular business hours. Requests for inspection of records shall be made in writing to the ADRAP.

12-2.6 Annual Reports

An annual statistical report is submitted every year for the preceding federal fiscal year. The report is forwarded to the Office of Right of Way, Relocation Assistance Division, through the FHWA Division Administrator not later than October 30.

12-3 General Policy

12-3.1 General Operation

- A. Relocation Assistance — Relocation assistance offices are located in Headquarters and each region office. Additional offices (field offices) may be provided and operated in accordance with Section 12-5.2.
- B. Personal Contacts — Personal contacts with owner-displacees and with tenants are made by Relocation Agents in accordance with the provisions of this manual. The agent makes detailed entries in the Diary of Right of Way Activities covering every contact, meeting, etc., with any party in interest. These entries are made as soon as possible after each contact to assure accuracy.

- C. Preliminary Investigation — Preliminary investigation of project impacts on displacees and availability of replacement housing is made by the Relocation Agent in accordance with Section 12-4.2.
- D. Relocation Plans — Relocation plans are developed in accordance with Section 12-4.2.
- E. Moving Cost Payments — Moving cost payments are determined in accordance with Sections 12-6.5 and 12-7.
- F. Replacement Housing Payments — Replacement housing payments are determined and administered in accordance with Section 12-6.3.
- G. Closing Expenses — Closing expenses (incidental purchase expenses) are reviewed and reimbursed by the department in accordance with Section 12-6.3.
- H. Increased Interest Costs — Increased interest costs are computed and paid in accordance with Section 12-6.3.
- I. Warning and Notice to Vacate — Owners and tenants are not required to move without at least ninety (90) days written notice and/or thirty (30) days written notice as specified in Section 12-5.4.
- J. Appeal Procedures — Appeal procedures are available to displacees as described in Section 12-5.5.
- K. Mobile Home Occupants — Mobile home occupants are offered replacement housing payments as regulated by Section 12-8.
- L. Forms — All forms pertinent to the Relocation Assistance Program are included in Chapter 13 of this manual.
- M. Duplicate Payments Prohibited — Displacees are not entitled to receive any other payment which substantially duplicates the general purpose and effect of those payments described in this manual.

12-3.2 Project Regulations

- A. Payments Authorized — Relocation assistance payments to eligible persons may be authorized when all of the following conditions have been met:
 - 1. Program Approval and Authorization — When there has been approval of a program or project and authorization to proceed has been issued.
 - 2. Person Relocated — When in fact a person has been or will be relocated by the project or from the right of way approved for such project.
 - 3. Lawful Costs — When relocation costs are lawfully incurred.
 - 4. Costs Recorded as Liability — When relocation costs are recognized and recorded as a liability of the acquiring agency in the accounts of such agency.
 - 5. Project Agreement Executed — After the project agreement (if required) has been executed for the particular project involved.
 - 6. Federally Assisted Right of Way Projects — After federal participation in relocation assistance costs has been authorized.

- B. Interest Acquired — The type of interest acquired does not affect the eligibility for relocation assistance payments provided the interest acquired is sufficient to cause displacement. In like manner, the terms under which a tenant is occupying property does not affect eligibility provided the tenant is actually displaced by the project and the occupancy is lawful.
- C. Losses Due to Negligence — Losses due to negligence of the relocated person, the person's agent, or employees are not eligible for payment.
- D. Deductions From Relocation Payment — The relocation agent must deduct the amount of any advance relocation payment from the relocation payment(s) to which a displaced person is otherwise entitled. Similarly, the agent must deduct from relocation payments any rent that the displaced person owes WSDOT provided that no deduction shall be made if it would prevent the displaced person from obtaining a comparable replacement dwelling as required by Section 12-3.2. WSDOT will not withhold any part of a relocation payment to a displaced person to satisfy an obligation to any other creditor.
- E. Availability of Replacement Housing — No person to be displaced shall be required to move from the acquired dwelling unless at least one comparable replacement dwelling (defined at Section 12-4.1) has been made available to the person. Where possible, three or more comparable replacement dwellings shall be made available. A comparable replacement dwelling will be considered to have been made available to a person, if:
 - 1. The person is informed of its location;
 - 2. The person has sufficient time to negotiate and enter into a purchase agreement or lease for the property; and
 - 3. Subject to reasonable safeguards, the person is assured of receiving the relocation assistance and acquisition payment to which the person is entitled in sufficient time to complete the purchase or lease of the property.
- F. Federally Assisted Projects — The costs of providing relocation payments and services required by this chapter are eligible for federal participation in the same manner and to the same extent as other project costs.
- G. Administrative Costs — Only those costs directly chargeable to a given transportation project are charged to such project.
- H. Refusal of Assistance — A displaced person can refuse relocation services and still be eligible for payments. There is no requirement that a displacee accept the services of WSDOT in relocating if not desired. However, it is necessary that the replacement dwelling meet decent, safe, and sanitary requirements and that the displaced person make application within the time limits to qualify for replacement housing payments.
- I. Property Not Incorporated Into Right of Way — If a relocation is made necessary by an acquisition for the project, even though the property acquired is not incorporated within the final right of way, monetary relocation benefits may be approved by the ADRAD. The Region Relocation Supervisor must provide a detailed memorandum (with map) setting forth the circumstances for the request to the ADRAD. A copy of the Appraisal and Determination of Value is also requested.

12-3.3 Disaster Project Regulations

- A. General — The requirement that no person shall be required to move unless at least one comparable is made available may be waived in any case where it is demonstrated that a person must move because of:
 - 1. A major disaster as defined in Section 102(c) of the Disaster Relief Act of 1974 (42 U.S.C. 5121); or
 - 2. A presidentially declared national emergency; or
 - 3. Another emergency which requires immediate vacation of the real property, such as when continued occupancy of the displacement dwelling constitutes a substantial danger to the health or safety of the occupants or the public.
- B. Basic Conditions of Emergency Move — Whenever a person is required to relocate for a temporary period because of an emergency as described in paragraph A of this section, WSDOT shall:
 - 1. Take whatever steps are necessary to assure that the person is temporarily relocated to a decent, safe, and sanitary dwelling; and
 - 2. Pay the actual reasonable out-of-pocket moving expenses and any reasonable increase in rent and utility costs incurred in connection with the temporary relocation; and
 - 3. Make available to the displaced person as soon as feasible, at least one comparable replacement dwelling. (For purposes of filing a claim and meeting the eligibility requirements for a relocation payment, the date of displacement is the date the person moves from the temporarily-occupied dwelling.)
- C. Tenure of Occupancy
 - 1. Individuals and families whose homes have been damaged or destroyed by a major disaster and who have not been able to reoccupy their homes by the start of negotiations for the parcel may be considered to be in constructive occupancy and funds may be authorized for relocation payments to such individuals and families, provided that location approval for the project had been given by the Secretary of WSDOT prior to the major disaster.
- D. Computation of Replacement Housing Payment for a 180-Day Owner Who Purchases
 - 1. Fair Market Value of Acquired Residence — The fair market value of damaged or destroyed residences is as of the usual date of valuation for a highway project.
 - 2. Computation — The replacement housing payment is the amount, if any, which when added to the amount for which WSDOT acquired the damaged or destroyed dwelling equals the lesser of:
 - a. The actual amount of the owner paid for a decent, safe, and sanitary dwelling; or

- b. The amount determined by WSDOT as necessary to purchase a comparable dwelling.
3. Duplicate Payments — Any proceeds received for payment of damages to the displacee's residence as a result of the major disaster, from any source, such as flood insurance or cancellation of a portion of a Small Business Administration (SBA) loan is deducted from the replacement housing payment for which the displacee is eligible.

12-3.4 Contracting Procedures

The department normally maintains an established organization adequately staffed and equipped to administer the relocation assistance services and payments required by this manual.

- A. The department may enter into agreements with other public agencies pursuant to RCW 39.34 when requested to provide services to such agencies pursuant to RCW 8.26.095.
- B. Where department employees are directly engaged in project activities or provide technical guidance, consultation, training, or otherwise work directly on specific projects to assist employees of another public agency to accomplish relocation assistance operations or in escalating such project operations to an acceptable level of performance, the costs of such project activity may be charged to such project in accordance with Chapter 1 of this manual.
- C. WSDOT monitors relocation assistance activities conducted by any public agency (or individual, firm, association, or corporation under contract to such public agency) engaged in the acquisition of right of way for public works projects in which federal funds will participate. These agencies are required to notify WSDOT in advance of acquisition for federal aid projects in order for WSDOT to perform as the "Lead Agency" as required by RCW 8.26.

12-4 General Relocation

12-4.1 Definitions

- A. Acquired — For the purpose of this chapter, "acquired" means WSDOT obtained legal possession of the real property. The date of such possession is the date on which final payment for the property is made available to the owner(s) or to the court. Where WSDOT has obtained early possession under a Possession and Use Agreement, legal possession is the time specified in the pertinent document or, if not specified in such document, upon making payment as required by such document.
- B. Acquisition Price — For the purpose of computing replacement housing payments, the "acquisition price" is the cost WSDOT pays for the property acquired. The amount is determined from the Real Property Voucher. The amount of any administrative settlement is included and remains a part of the final settlement. Any amount paid by the displacee for salvage rights is considered an expenditure by the displacee toward the purchase of replacement housing. The amount of the "final settlement" in the case of a donation is considered to be fair market value. For court award cases or cases involving an administrative settlement, the amount of the just compensation is analyzed to determine acquisition price.

- C. Agency — The federal agency, state agency, or person that acquires real property or displaces a person.
- D. Alien Not Lawfully Present in the United States — An alien not “lawfully present” in the United States is defined in Public Law 104-193 and includes:
 - 1. An alien present in the United States who has not been admitted or paroled into the United States pursuant to the Immigration and Naturalization Act and whose stay in the United States has not been authorized by the United States Attorney General; and
 - 2. An alien who is present in the United States after the expiration of the period of stay authorized by the United States Attorney General or who otherwise violated the terms and conditions of admission, parole or authorization to stay in the United States.
- E. Appraisal — A written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.
- F. Business — Any lawful activity, except a farm operation, that is conducted:
 - 1. Primarily for the purchase, sale, lease, and/or rental of personal and/or real property, and/or for the manufacture, processing, and/or marketing of products, commodities, and/or any other personal property; or
 - 2. Primarily for the sale of services to the public; or
 - 3. Primarily for outdoor advertising display purposes when the display must be moved as a result of the project; or
 - 4. By a nonprofit organization that has established its nonprofit status under applicable federal or state law.
- G. Comparable Dwelling — A dwelling which is:
 - 1. Decent, safe, and sanitary as described in Section 12-6.2; and
 - 2. Functionally equivalent to the displacement dwelling. The term “functionally equivalent” means that it performs the same function, provides the same utility, and is capable of contributing to a comparable style of living. While a comparable replacement dwelling need not possess every feature of the displacement dwelling, the principal features must be present. For example, if the displacement dwelling contains a pantry and a similar dwelling is not available, a comparable dwelling with ample kitchen cupboards may be acceptable. Insulated and heated space in a garage might prove an adequate substitute for basement workshop space. A dining area may substitute for a separate dining room. Under some circumstances, attic space could substitute for basement space for storage purposes, and vice versa. Generally, functional equivalency is an objective standard, reflecting the range of purposes for which the various physical features of a dwelling may be used. However, in determining whether a comparable dwelling is functionally equivalent to the displacement dwelling, reasonable trade-offs for specific features may be considered when the comparable unit is “equal

to or better than” the displacement dwelling. Only in unusual circumstances may a comparable dwelling contain fewer rooms or, consequently, less living space than the displacement dwelling. Such may be the case when a decent, safe, and sanitary replacement dwelling (which by definition is “adequate to accommodate” the displaced person) may be found to be “functionally equivalent” to a larger but very run-down substandard displacement dwelling; and

3. Adequate in size to accommodate the occupants; and
 4. In an area not subject to unreasonable adverse environmental conditions; and
 5. In a location generally not less desirable than the location of the displaced person’s dwelling with respect to public utilities and commercial and public facilities, and reasonably accessible to the person’s place of employment; and
 6. On a site that is typical in size for residential development with normal site improvements, including customary landscaping. The site need not include special improvements such as out buildings, swimming pools, or greenhouses; and
 7. Currently available to the displaced person on the private market. However, a comparable replacement dwelling for a person receiving government housing assistance before displacement may reflect similar government housing assistance; and
 8. Within the financial means of the displaced person (see Definition of Financial Means).
- H. **Contribute Materially** — The term “contribute materially” means that during the two taxable years prior to the taxable year in which displacement occurs, or during such other period as WSDOT determines to be more equitable, a business or farm operation:
1. Had average annual gross receipts of at least \$5,000; or
 2. Had average annual net earnings of at least \$1,000; or
 3. Contributed at least 33¹/₃ percent of the owner’s or operator’s average annual gross income from all sources.
- I. **Displaced Person**
1. **General** — Any person who moves from real property or moves personal property from real property (which is required for a project or program undertaken by the state or a local public agency):
 - a. As a direct result of the acquisition of such real property in whole or in part; or
 - b. As a direct result of the issuance of a written order to vacate, whether or not the property is subsequently acquired; or
 - c. As a direct result of a written notice of intent to acquire; or
 - d. A residential tenant displaced as a direct result of a voluntary transaction by the real property owner.

2. Persons Not Displaced — The following is a nonexclusive listing of persons who do not qualify as displaced persons under this part:
 - a. A person who moves before the initiation of negotiations unless WSDOT determines that the person was displaced as a direct result of the program or project; or
 - b. A person who initially enters into occupancy of the property after the date of its acquisition for the project; or
 - c. A person who has occupied the property for the purpose of obtaining assistance under the Uniform Act;
 - d. A person who is not required to relocate permanently as a direct result of a project. Such determination shall be made by WSDOT in accordance with any guidelines established by the federal agency funding the project. There are circumstances where the acquisition of real property takes place without the intent or necessity that an occupant of the property be permanently displaced. Because such occupants are not considered “displaced persons” under this part, great care must be exercised to ensure that they are treated fairly and equitably. For example, if the tenant-occupant of a dwelling will not be displaced but is required to relocate temporarily in connection with the project, the temporarily occupied housing must be decent, safe, and sanitary, and the tenant must be reimbursed for all reasonable out-of-pocket expenses including moving expenses and increased housing costs incurred in connection with the temporary relocation.

It is also noted that any person who disagrees with WSDOT’s determination that said person is not a displaced person under this part may file an appeal in accordance with Section 12-2.5; or

- e. An owner-occupant who moves as a result of an acquisition described as follows:
 - (1) Voluntary transactions that meet all of the following conditions:
 - (a) No specific site or property needs to be acquired, although WSDOT may limit its search for alternative sites to a general geographic area. Where WSDOT wishes to purchase more than one site within a geographic area on this basis, all owners are to be treated similarly.
 - (b) The property to be acquired is not part of an intended, planned, or designated project area where all or substantially all of the property within the area is to be acquired within specific time limits.
 - (c) WSDOT will not acquire the property in the event negotiations fail to result in an amicable agreement, and the owner is so informed in writing.
 - (d) WSDOT will inform the owner of what it believes to be the fair market value of the property.

- (2) Acquisitions for programs or projects undertaken by an agency or person that receives federal financial assistance but does not have authority to acquire property by eminent domain, provided that such agency or person shall:
 - (a) Prior to making an offer for the property, clearly advise the owner that it is unable to acquire the property in the event negotiations fail to result in an amicable agreement; and
 - (b) Inform the owner of what it believes to be fair market value of the property.
 - (3) As a result of the rehabilitation or demolition of the real property.
Note: The displacement of a tenant as a direct result of any acquisition, rehabilitation, or demolition for a federal or federally assisted project is subject to this part; or
 - f. A person whom WSDOT determines is not displaced as a direct result of a partial acquisition; or
 - g. A person who, after receiving a notice of relocation eligibility (described at Section 12-5.4), is notified in writing that a displacement will not be required. Such notice shall not be issued unless the person has not moved and WSDOT agrees to reimburse the person for any expenses incurred to satisfy any binding contractual relocation obligations entered into after the effective date of the notice of relocation eligibility; or
 - h. An owner-occupant who voluntarily conveys property after being informed in writing that if a mutually satisfactory agreement on terms of the conveyance cannot be reached, WSDOT will not acquire the property. In such cases, however, any resulting displacement of a tenant is subject to the regulations in this part; or
 - i. A person who retains the right of use and occupancy of the real property for life following its acquisition by WSDOT; or
 - j. A person who retains the right of use and occupancy of the real property for a fixed term after its acquisition by the Department of Interior under Pub. L. 93-303; or
 - k. A person who is determined to be in unlawful occupancy prior to the initiation of negotiations or a person who has been evicted for cause, under applicable law.
 - l. A person who is not lawfully present in the United States and who has been determined to be ineligible for relocation benefits
- J. Dwelling — The place of permanent or customary and usual abode. It includes a single family dwelling, a one-family dwelling unit in a multifamily building, a dwelling unit of a condominium or cooperative housing project, or any other dwelling unit, such as a rental sleeping room, a mobile home, etc. Also see definition for “Place of Permanent or Customary and Usual Abode.”

- K. **Farm Operation** — Any activity conducted solely or primarily for production of one or more agricultural products or commodities (including timber) for sale or home use and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support. See definition of "contributing materially."
- L. **Financial Means** — The following criteria are used in determining financial means:
1. A replacement dwelling purchased by a homeowner in occupancy at the displacement dwelling for at least 180 days prior to initiation of negotiations (180-day homeowner) is considered to be within the homeowner's financial means if the homeowner will receive the full price differential as described in Section 12-6.3, all increased mortgage interest costs as described at Section 12-6.3, and all incidental expenses as described at Section 12-6.3, plus any additional amount required to be paid under Section 12-6.4, Housing of Last Resort.
 2. A replacement dwelling rented by an eligible displaced person is considered to be within that person's financial means if, after receiving rental assistance under this part, the monthly rent and estimated average monthly utility costs for the replacement dwelling do not exceed the person's base monthly rental for the displacement dwelling as described at Section 12-6.3.
 3. For a displaced person who is not eligible to receive a replacement housing payment because of failure to meet length-of-occupancy requirements, comparable replacement rental housing is considered to be within a person's financial means if WSDOT pays that portion of the monthly housing costs of a replacement dwelling which exceed 30 percent of such person's gross monthly household income or, if receiving a welfare assistance payment from a program that designates amounts for shelter and utilities, the total of the amounts designated for shelter and utilities. Such rental assistance must be paid under Section 12-6.4, Housing of Last Resort.
- M. **Mortgage** — Such classes of liens as are commonly given to secure advances on, or the unpaid purchase price of, real property under the laws of the state of Washington together with the credit instruments. A real estate contract is considered to be a mortgage for the purposes of this chapter. A bona fide mortgage is a mortgage which is a valid lien on the real property for not less than 180 days prior to the initiation of negotiations.
- N. **Nonprofit Organization (NPO)** — A corporation, partnership, individual, or other public or private entity registered as an NPO with the office of the Secretary of State, engaged in a business, professional, or instructional activity on a nonprofit basis, requiring fixtures, equipment, stock in trade, or other tangible property for operating of the business, profession, or institutional activity on the premises and exempt from paying federal income taxes under Section 501 of the Internal Revenue Code (26 U.S.C. 501).

- O. Owner — For purpose of determining eligibility for replacement housing benefits only, an “owner” is one who, with respect to a displacement dwelling:
 - 1. Owns, legally or equitably, the fee simple estate, a life estate, a lease with at least 50 years to run from the date of acquisition of the property, or other proprietary interest in the property; or
 - 2. Is the contract purchaser of any of the foregoing estates or interests; or
 - 3. Has succeeded to any of the foregoing interests by devise, bequest, inheritance, or operation of law. In such case, the tenure of ownership (not occupancy) of the succeeding owner shall include the tenure of the preceding owner.
 - 4. An interest in a cooperative housing project which includes the right to occupy a dwelling.
- P. Place of Permanent or Customary and Usual Abode (Permanent Place of Residence) — A dwelling, legally used and occupied as living quarters or residence by a person or family with apparent intent to continue such use and occupancy.
- Q. Replacement Housing Payment (RHP) — Any one or certain combinations of payments authorized to be paid to eligible displacees to enable such displacees to obtain replacement housing. There are five types of authorized payments, as follows:
 - 1. Incidental Purchase Expense — The amount necessary to pay or reimburse an eligible displacee for certain actual costs incurred by the displacee incidental to the purchase of an eligible replacement dwelling, including but not limited to recording fees, escrow fees, title insurance premiums, appraisal fees, credit report fees, and transfer taxes. (Does not include prepayment of any expenses. See Section 12-6.3.)
 - 2. Increased Interest Payment — The amount, as determined by WSDOT, necessary to compensate an eligible displacee for an increased interest cost required to obtain a mortgage for the purpose of purchasing an eligible replacement dwelling. In addition, such finance charges as may be imposed as a condition to the making of such a mortgage.
 - 3. Purchase Supplement — That amount, in addition to the just compensation paid by WSDOT, which is necessary to enable an eligible displacee to purchase an eligible replacement dwelling.
 - 4. Rent Supplement — The amount, determined by WSDOT, necessary to compensate an eligible displacee for the increased cost of leasing or renting an eligible replacement dwelling.
 - 5. Down Payment — The amount necessary to enable an eligible displacee to make a down payment (including eligible incidental purchase expenses) on the purchase of an eligible replacement dwelling. Payment is limited to the maximum rent supplement calculated for the displacee. A 180-day owner occupant is not eligible for this type of payment.

- R. **Salvage Value** — The probable sale price of an item, if offered for sale on the condition that it will be removed from the property at the buyer's expense, allowing a reasonable period of time to find a person buying with knowledge of the uses and purposes for which it is adaptable and capable of being used, including separate use of serviceable components and scrap when there is no reasonable prospect of sale except on that basis.
- S. **Small Business** — A business having not more than 500 employees, working at the site being acquired or permanently displaced by a program or project which site is the location of economic activity. Sites operated solely by outdoor advertising signs, displays, or devices do not qualify as a business for purposes of reestablishment.
- T. **Tenant** — An individual(s) or family who pays rent or is in lawful possession of a dwelling or rental sleeping room without interest in fee title to the real property.
- U. **Uneconomic Remnant** — The term "uneconomic remnant" refers to a remainder of the owner's real property which WSDOT has determined will have little or no value or utility to the owner after the department's acquisition of a portion of the tract.
- V. **Unlawful Occupancy** — A person is considered to be in unlawful occupancy if the person has been ordered to move by a court of competent jurisdiction prior to the initiation of negotiations or is determined by WSDOT to be a squatter who is occupying the real property without the permission of the owner and otherwise has no legal right to occupy the property under state law.
- W. **Utility Costs** — These are limited to expenses for heat, lights, water, and sewer.

12-4.2 Relocation Planning

12-4.2.1 Preliminary Plans

Detailed information and analysis of displacements may be required at various stages prior to development of a Relocation Project Plan as required by Section 12-4.2.2. Some examples of preliminary stages are Environmental Impact Statements (EIS), Environmental Assessment, Discipline Report, and so on. Information included in the document or report may be obtained by visual inspection of the area and from readily available secondary or community sources. The document or report usually requires the following information:

- A. Estimate of households to be displaced, including the family characteristics (e.g., minorities, income levels, the elderly, large families, owners or tenants, etc.).
- B. Divisive or disruptive effect on the community, such as separation of residences from community facilities or separation of neighborhoods.
- C. Impact on the neighborhood and housing where relocation is likely to take place.
- D. An estimate of the businesses to be displaced and general effect of business dislocation on the economy of the community.

- E. A description of housing available for sale in the area and the ability to provide replacement housing for the types of families to be displaced.
- F. A description of special relocation advisory services that will be necessary for identified unusual conditions.
- G. A description of the actions proposed to remedy insufficient replacement housing including, if necessary, housing of last resort.
- H. Results of consultation with local officials, social agencies, and community groups regarding the impacts on the community affected.

12-4.2.2 Project Relocation Plans

12-4.2.2.1 General Requirements

- A. Negotiations are not initiated on any project which will cause the relocation of any person until the Region Relocation Supervisor has submitted a Relocation Project Plan to the ADRAP for review and approval.
- B. Prior to submitting a request for funds (request for work order authorization) the Region Relocation Supervisor prepares a relocation plan in coordination with personnel assigned to prepare funding estimates. Such plan is submitted to the ADRAP for review and approval. Upon approval by the ADARP, a copy of the approved plan is returned to the Region showing such approval.

12-4.2.2.2 Project Relocation Plan Contents

A Relocation Project Plan covers the methods and procedures by which the needs of every individual to be displaced will be evaluated and correlated with available decent, safe, and sanitary (DS&S) housing within those individuals' financial means. The input for the plan is developed from the Occupancy Survey prepared by the Region Relocation Agent on each acquisition parcel requiring the displacement of persons or personal property from the project. The plan contains a tabulation of data and narrative. Contact Headquarters for a sample of an appropriate relocation plan.

- A. General
 - 1. The plan should contain a statement of "Assurances" that the department will inform the public of relocation payments and services that will be available and that the department will provide such payments and services. In addition, this statement will advise that no person displaced from a residential dwelling will be required to move without at least 90 days written notice and unless at least one comparable replacement dwelling is made available.
 - 2. A description of the project including information on limits, area location, purpose of the project, type and extent of work, and any other pertinent information deemed appropriate by the plan author.
 - 3. A brief discussion of the number of parcels to be acquired and the resulting number of displacements by type (residential owner, residential tenant, business, and/or personal property only).
- B. Inventory of Individual Needs — An inventory of the characteristics and needs of individuals, families, businesses, and/or personal property to be displaced.

1. This inventory is based upon a complete occupancy survey. Recent census and other valid survey data obtained from city and county planning departments, redevelopment agencies, precinct registers, etc., may be used to assist in preparing the inventory. The survey process is carried out to the depth necessary to fully identify of the characteristics and needs of the displaced persons.
 2. Housing needs are determined by analysis of needs for decent safe and sanitary replacement housing. This does not necessarily mean a replacement in kind for the dwellings to be acquired. It means providing DS&S housing that meets the needs of the occupants being displaced. The financial means of the displacees are also considered and discussed in the report.
- C. Inventory of Available Housing — A reliable estimate of comparable replacement housing currently available on the housing market for the general project area.
1. The types of buildings and the adequacy of supply of DS&S housing as related to the needs of the persons or families to be relocated. Further discussion of type of neighborhood, proximity of public transportation, commercial shopping areas, and distance to any pertinent social institutions, such as church, community facilities, etc., is desired. The use of maps, plats, charts, etc., is useful at this stage. This estimate is developed to the extent necessary to assure that the relocation plan can be expeditiously and fully implemented.
 2. Data on the availability of housing is gathered by any reasonable method such as: updating and using data previously gathered; using sources such as multiple listing bureaus, individual brokers, real estate management companies, associations of landlords, rental agencies; and direct contact with apartment owners or managers, local planning offices, other governmental offices which regulate construction of homes and other buildings, and public utility companies which continuously study population growth and/or trends. Newspaper advertising and other printed resources should also be utilized.
 3. The inventory of available housing should summarize:
 - a. The amount, type, characteristics, and cost of housing available at the time of the study.
 - b. The monthly (or annual) rate of “turn over” in the sale and rental markets.
 - c. The rate at which new housing is being added.
 4. A projection of the amount of housing which will become available within the lead time during which acquisition and right of way clearance will take place.
- D. Analysis of Inventories — An analysis and correlation of the above information is used to develop a relocation plan which:
1. Discusses the various relocation problems which may include cases of low income and minority groups.

2. Provides an analysis of current and future federal, state, and community programs in the project areas, and nearby areas which could affect the supply and demand for housing.
 3. Provides an analysis of said problems and offers potential resolutions to these problems.
 4. Estimates the amount of lead time required and demonstrates its adequacy to carry out a timely, orderly, and humane relocation program.
- E. Sources of Information — Identification of the names/sources from which information was obtained and relied upon for the report.
- F. Project Relocation Assistance Office — A brief discussion addressing the intended means by which displacees and adjacent occupants will have reasonable access to adequately staffed offices and how such offices will be operated, staffed, and equipped to provide relocation assistance services. This discussion should encompass the need or lack of need for project relocation assistance offices, the hours of operation, the location of said office and the resources to be available at said office.
- G. Alternate and/or Last Resort Housing Needs
1. Discuss the impact of the project on available replacement housing within the financial means of the displacees.
 2. Explain that either:
 - a. There is an adequate, continuing supply of replacement housing available within the financial means of the displacees, or
 - b. A “Last Resort Housing Plan” will be prepared on a case-by-case basis or is incorporated into this report.
- H. Maps, plats, charts pictorial, and/or graphic data which further illustrates the needs of the displacees or describes the availability or lack of availability of suitable replacement housing may be included with the report. Approved right of way plans are not included as a part of this report but are available in the appropriate region and Headquarters offices.

12-5 Relocation Advisory Services

12-5.1 General

WSDOT has established and carries out a Relocation Assistance Advisory Services Program so that displaced persons will receive uniform and consistent services and payments regardless of race, color, religion, sex, or national origin. These services are intended, as a minimum, to assist persons in relocating to decent, safe, and sanitary housing that meets their needs. Services are provided by personal contact by the Region Relocation Agent. If personal contact cannot be made, the Relocation Agent documents the file to show that reasonable efforts were made to achieve personal contact.

12-5.1.1 To Whom Provided

Relocation assistance advisory services are offered to:

- A. Any “displaced person” as defined in Section 12-4.1.

- B. Any adjacent occupant when WSDOT determines that such person or persons are caused substantial economic injury because of the acquisition.
- C. Any person who, because of the acquisition of real property used for the person's business or farm operation, moves from other real property used for a dwelling, or moves personal property from such other real property.

12-5.1.2 Minimum Advisory Services

- A. The Relocation Agent provides relocation assistance advisory services to include such measures, facilities, or practices as may be necessary or appropriate to:
 - 1. Determine the need, if any, of displaced persons for relocation assistance.
 - 2. Explain the services available, the types of relocation payments, and the eligibility requirements to receive relocation payments and to assist in completing any application or other required form.
 - 3. Provide current information on a continuous basis regarding the availability, prices and rentals of comparable decent, safe, and sanitary housing, and of comparable commercial properties and locations for displaced businesses.
 - 4. Assist a person displaced from the person's business or farm operation in obtaining and becoming established in a suitable replacement location.
 - 5. Supply information concerning federal and state housing programs, disaster loan programs, and other federal or state programs offering assistance to displaced persons.
 - 6. Advise displaced persons that no payments received under the Uniform Act shall be considered as income for the purposes of the Internal Revenue Code of 1954 which has been redesignated as the Internal Revenue Code of 1986 or for the purposes of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act or any other federal law, except for any federal law providing low-income housing assistance.
 - 7. Provide other advisory services to displaced persons to minimize hardships to such persons in adjusting to a new location.
- B. The amount and extent of the advisory services are administered on a reasonable basis commensurate with the needs of the displaced person(s).

12-5.1.3 Exchange of Information With Other Agencies

Relocation Agents maintain personal contact and exchange information with other local agencies providing services useful to persons who will be relocated.

- A. Such agencies may include but are not limited to social welfare agencies, urban renewal agencies, redevelopment authorities, public housing authorities, the Department of Housing and Urban Development, Veterans Administration, and Small Business Administration.

- B. Contact is maintained with local sources of information on private replacement properties, including real estate brokers, real estate boards, property managers, apartment owners and operators, and home building contractors.
- C. Contact is maintained with the Department of Housing and Urban Development and Veterans Administration relative to properties owned by those agencies that may be available for sale.

12-5.2 Project Relocation Assistance Offices

12-5.2.1 General Criteria

- A. When the volume of work or needs of the displaced persons are such as to justify the establishment of a project relocation office, such an office will be established and located reasonably convenient to public transportation or within walking distance of the project.
- B. The determination whether or not to establish a project relocation office is made by the region on an individual project basis based on criteria which include, but are not limited to:
 - 1. The number of displacees to be served.
 - 2. The distance and availability of transportation between the project and the Region Real Estate Service Office.
 - 3. The nature of the relocation problems in terms of income level, displacee needs and characteristics, and special replacement housing problems.

12-5.2.2 Information Available at Project Office

The following information will be made available for the displacees of each project at both the region office and/or the project office:

- A. Copies or reprints of any published public announcements addressing relocation assistance services and payments.
- B. Current lists of suitable replacement dwellings available to displaced persons without regard to race, color, religion, sex, or national origin. Lists may come from a variety of sources including newspaper listings, apartment directories, multiple listing services, real estate and property management companies, etc.
- C. Current lists of comparable commercial properties and locations for displaced businesses.
- D. Current data for such costs as security deposits, closing costs, typical down payments, interest rates, and terms.
- E. Maps showing the location of schools, parks, playgrounds, shopping, and public transportation routes in the area where applicable.
- F. Schedules and costs of public transportation where applicable.
- G. Copies of the department's brochure explaining its relocation program
- H. Copies or excerpts from local housing, building, and/or occupancy codes.
- I. Other information of value to displaced persons in the particular area.

12-5.2.3 Office Hours

Project offices will be open during hours convenient to the persons to be relocated including evening hours when needed. Hours of operation will be addressed in the relocation plan.

12-5.3 Public Information

12-5.3.1 General Hearings

In order to assure that the public has adequate knowledge of the department's Relocation Assistance Program, such program and its related procedures are discussed at all public hearings. The Region Administrator may require the presence of RES personnel at any hearing in order to assure that the Relocation Assistance Program is adequately explained.

- A. Brochures, pamphlets, or flyers describing the relocation program are made available, without cost, to all persons attending such hearings. The brochures provide the address of the department's region office where copies of the department's regulations implementing the Relocation Assistance Program may be obtained.
- B. If there are extensive relocation problems which cannot be covered at typical or regular hearings on highway location and other engineering matters, a separate public hearing on relocation assistance will be held, as arranged by the Region Real Estate Services Manager.

12-5.3.2 Corridor Hearings

- A. Right of Way personnel may be called upon by the Region Administrator to assist with the development of needed information and/or for the presentation of information at any corridor hearing. Such information may include, but is not necessarily limited to the following data:
 - 1. Regional and community growth including general plans and proposed land use, total transportation requirements, and status of the planning process.
 - 2. Public facilities and services including religious, health and educational facilities, public utilities, fire protection, and other emergency services
 - 3. Community cohesion including residential and neighborhood character and stability, highway impacts on minority and other specific groups and interests, and effects on local tax base and property values.
 - 4. Displacement of people, businesses, and farms including relocation assistance, availability of adequate replacement housing, and economic activity (employment gains and losses, etc.).
 - 5. The estimate of costs of the alternatives considered.
 - 6. Responses to questions or problems raised during the previous hearings.
- B. Discussion on relocation assistance includes but is not necessarily limited to:
 - 1. The availability of relocation assistance services, eligibility requirements, and payment procedures.

2. The estimated number of individuals, families, businesses, farm, and nonprofit organizations that are to be relocated by each of the alternatives under consideration at the hearings.
3. An estimate of the availability of decent, safe, and sanitary replacement housing, within the financial means of the individuals and families affected; a projection of the availability to the anticipated year of right of way acquisition; any alternative plans considered for re-housing displacees; and assurance that housing needs of the displacees will be met.

12-5.3.3 Highway Design and/or Access Hearings

The discussion on relocation assistance at the design or combined hearing supplements the information contained in the Relocation Assistance Program Brochure. Such discussion on relocation includes but is not necessarily limited to:

- A. Assurance that no person is required to move from a residence required for a public works project or program unless a comparable replacement dwelling is available or provided for any person meeting the criteria for a displaced person.
- B. The eligibility requirements and payment procedures including:
 1. Eligibility requirements and payment limits for moving costs.
 2. Eligibility requirements and payment limits for replacement housing payments.
 3. Appeal procedures.
- C. The services available under the state's relocation assistance advisory program, the address and telephone number of the local relocation office, and the name of the relocation agent in charge.
- D. An estimated number of dwelling units presently available to meet replacement housing requirements.
- E. An estimate of the time necessary for relocation and the number of dwelling units meeting the replacement housing requirements that will become available during that period.

12-5.4 Written Notices

12-5.4.1 General

- A. Appropriate relocation assistance notices will be provided to each residential occupant (family or individual); non-occupant owner of an occupied dwelling unit; business or farm owner or operator; or owner of personal property that may be directly or constructively displaced by the program or project (hereafter, "displacees"). A notice is not furnished where there is no displacement.
- B. Written notices will be presented in letter form using the basic formats found in Chapter 13. The letters may be revised to reflect appropriate information for any specific relocation situation.
- C. Where certain relocation notices fulfill statutory requirements, the displaced person will be requested to sign a copy of the letter as evidence that the notice has been given and received. If the displaced person refuses to sign the notice,

the relocation agent should note the refusal on the copy of the notice and transmit this copy to Headquarters for inclusion into the official file. The relocation agent should also note the refusal in the Diary. The ADRAP may request further effort be made to present any notice letter to the displaced person(s).

- D. A non-occupant owner is considered, for purposes of the Relocation Assistance Program, to be displaced whenever there will be a displacement of persons or personal property from the property he owns.
- E. These letters are partially intended to provide the displacees with a written reference to certain basic information that will be or has been explained in a personal contact by a qualified representative of the department. No letter can answer all the questions in a given case. Much importance is placed on the detailed description in the relocation brochure and on the expertise of the Relocation Agent handling the case.

12-5.4.2 Notice of Intent to Acquire

- A. If the Director of Real Estate Services authorizes the establishment of eligibility for relocation benefits prior to the initiation of negotiations for acquisition of a parcel, a Notice of Intent to Acquire, along with the Relocation Assistance Program Brochure, may be furnished to displacees. When a Notice of Intent to Acquire is issued, for purposes of this chapter, the date of initiation of negotiations for the parcel is considered to be the date of such notice.
- B. This notice is not issued prior to authorization for the initiation of negotiations on the project or prior to authorization for acquisition of individual parcels in the case of protective buying or hardship acquisition.
- C. The notice advises owners and occupants concerning the following:
 - 1. The area of their eligibility for and the requirements to receive moving and replacement housing and rent supplement payments.
 - 2. That any occupant contemplating moving should, to ensure eligibility for moving and replacement housing and rent supplement payments, notify the department before moving.
 - 3. The anticipated date of actual initiation of negotiations.
 - 4. How additional information pertaining to relocation assistance payments and services can be obtained.
- D. If a Notice of Intent to Acquire is furnished to a property owner, it is also furnished to any tenants within fifteen (15) days and the owner is simultaneously notified of such action by furnishing such owner with a copy of the tenant's notice.

12-5.4.3 General Notice of Relocation Rights

- A. This is a notice that is required by statute.
- B. The letter format for this notice will depend on the type of displacement that will occur. An appropriate notice letter, to be selected from the formats found in Chapter 13, must be provided to the person(s) to be displaced by the project.

- C. This notice should be presented to the person(s) to be displaced at the time the relocation agent makes the initial contact with the person(s) to gather information for the Project Plan. A Relocation Assistance Program Brochure should be provided to the displacee at the same time.
- D. The notice must include the following information:
 - 1. A statement that the person(s) may be displaced from a public project and a general description of the types of relocation payments, the basic conditions of eligibility and how the payments can be obtained.
 - 2. A statement that the person(s) to be displaced will be given reasonable advisory assistance including referrals to replacement properties, help in filing claims and other necessary assistance.
 - 3. Advice that the person(s) will not be required to move without at least 90 days written notice and that a person displaced from a residential dwelling will not be required to move until at least one comparable replacement dwelling is made available to the displaced person(s).
 - 4. A statement that the person(s) to be displaced have a right to appeal the department's determinations regarding relocation eligibility or benefit amounts.
- E. The relocation agent must attempt to secure the signature(s) of the person(s) to be displaced to acknowledge receipt of the notice or provide a statement on the notice that the person(s) refused to sign.

12-5.4.4 Relocation Assistance Program Brochure

This "notice" provides additional and more detailed information about the Relocation Assistance Program. It should be provided to each displaced person at the time the General Notice is provided. There are two brochures; one for Residential displacements and one for Business/Farm/NPO displacements. The "receipt" on the General Notice also states the brochure has been provided.

12-5.4.5 Notice of Relocation Eligibility and 90-Day Notice

- A. This is a combination of two notices that are required by statute.
- B. This notice advises the displaced person(s) that they are now eligible for relocation assistance and benefits because initiation of negotiations has begun. This notice should be provided to each displacee as soon as possible after the date of initiation of negotiations or, if possible, at the same time of said initiation.
- C. The department also uses this notice to provide the displacee with a description of the relocation benefits which they are eligible to receive as well as other information as follows:
 - 1. For a 180-Day Owner Occupant:
 - a. Date of initiation of negotiations
 - b. Date displacee first occupied the parcel
 - c. Amount of Maximum Price Differential
 - d. Addresses of Available Comparable Dwellings

- e. How the Price Differential was calculated
 - f. Other Replacement Housing benefits
 - (1) Increased Mortgage Interest Costs
 - (2) Incidental Purchase Expenses
 - g. Moving Benefits
 - h. How to claim the benefits
 - i. 90-Day Notice (**Note: This is a required notice.**)
 - (1) States the earliest date when occupant will have to move, or
 - (2) States that another notice will be given 30 days in advance of the date the occupant will have to vacate the property
 - (3) The 90-day period cannot begin until the department has made at least one comparable replacement dwelling available to the displacee.
 - j. The Right of Appeal
2. For a 90- to 179-Day Owner Occupant or a 90-Day Tenant:
- a. Date of Initiation of Negotiations
 - b. Date of Occupancy by the Displacee
 - c. Amount of Maximum Rent Supplement
 - d. Addresses of Available Comparable Dwellings
 - e. How the Rent Supplement was calculated
 - f. The Down Payment Option
 - g. Moving Benefit
 - h. How to Claim benefits
 - i. 90-Day Notice (**Note: This is a required notice.**)
 - (1) States the earliest date when occupant will have to move, or
 - (2) States that another notice will be given 30 days in advance of the date the occupant will have to vacate the property
 - (3) The 90-day period cannot begin until the department has made at least one comparable replacement dwelling available to the displacee.
 - j. The Right of Appeal
3. Business, Farm, or NPO:
- a. Actual Move Costs
 - (1) Personal Property Move Expenses
 - (2) Other Incidental Move Expenses
 - (3) Equipment Disconnect and Reconnect Expenses

- b. Re-establishment Costs
- c. In Lieu Benefit Amount if selected in place of actual costs and re-establishment
- d. 90-Day Notice (**Note: This is a required notice.**)
 - (1) States the earliest date when occupant will have to move, or
 - (2) States that another notice will be given 30 days in advance of the date the occupant will have to vacate the property.
- e. Right of Appeal

12-5.4.6 Other Notices

A. Notice of Revised Maximum Price Differential

- 1. If an owner occupant does not or is not actively seeking replacement housing at the time the Notice of Eligibility is delivered, it may become necessary to recalculate the price differential benefit because the offered replacement dwelling(s) may not be available any longer. If the price differential must be recalculated, a revised notice must be presented to the displacee.
- 2. If the owner occupant receives an administrative settlement for the displacement dwelling which is more than the price of the best available comparable on which the benefit was calculated, a revised notice of the maximum price differential should be presented stating that the displacee is no longer entitled to a price differential payment as the acquisition price of the displacement property is greater than the asking price of the best available comparable.
- 3. If an owner occupant decides to become a tenant, a revised notice should be presented which states that the maximum entitlement for a rent supplement in this case would be \$5,250.

B. Notice of Revised Maximum Rent Supplement

- 1. If a tenant does not or is not actively seeking replacement housing at the time the Notice of Eligibility is delivered, it may become necessary to recalculate the rent supplement benefit because the offered replacement dwelling(s) may no longer be available. If the rent supplement must be recalculated, a revised notice must be presented to the displacee.

12-5.5 Appeals

- A. General — Any person aggrieved by a determination as to eligibility for, or the amount of, any payment authorized by Chapter 8.26 RCW and these operating rules and procedures, may have such determination reviewed and reconsidered by WSDOT. See Chapter 468-100-010 of the Washington Administrative Code (WAC).
- B. Preliminary Review Procedures
 - 1. Request for Review — A request for review must be filed with the ADRAP, Real Estate Services Office, Transportation Building, Olympia, Washington 98504, within sixty (60) days following written notification

of WSDOT's determination on the person's claim. A different eligibility period may be approved by the ADRAP on an individual case basis. Review proceedings are initiated upon receipt by the department of a statement or letter from the displacee or the displacee's representative.

2. Form of Statement — No specific form or format is required; however, the displacee's statement or letter, at a minimum, includes:
 - a. Date of statement.
 - b. Name of displacee.
 - c. Project title.
 - d. Parcel number.
 - e. An explanation of what the displacee is claiming; all facts, reasons, and any supporting evidence as to why the displacee believes the claim should be paid; or why the displacee is otherwise aggrieved.
 - f. Address, telephone number, and signature of the displacee or the displacee's attorney.
3. Response to Preliminary Review — If the ADRAP finds that the displacee's request for a review is unclear or insufficient, the ADRAP may require the displacee to correct, clarify or amend the request or provide additional information. If the displacee fails to make any required corrections, etc., within a reasonable specified time, the ADRAP should respond to the original request according to its merits. This response shall notify the aggrieved person of the right to an Administrative Hearing.
4. Request for Administrative Hearing — The aggrieved person shall have 30 days from the date of the ADRAP response to the original review within which to request, in writing, a formal hearing before a Relocation Review Board.

C. Relocation Review Board Hearing

1. The ADRAP assembles the Relocation Review Board which consists of the Director, Real Estate Services, the Director of Environmental and Engineering Programs, and the Region Administrator of the Region where the displacement has occurred.
2. The ADRAP:
 - a. Notifies the aggrieved person of the time and place of the Relocation Review Board hearing at least twenty (20) days in advance of the hearing.
 - b. Advises the aggrieved person to provide any additional documents, written statements or other evidence in support of their claim.
 - c. Submits all explanations, documentation, evidence, etc., to the Review Board for consideration prior to the hearing.

3. The Relocation Review Board:
 - a. Holds a meeting to analyze all evidence in the request for review, and renders its decision which may be to either accept or reject, in whole or in part, the claim, or may authorize an alternative agreement with aggrieved person.
 - b. Within ten (10) days after the conclusion of the meeting, notifies the aggrieved person of the Board's decision. If the decision is a rejection of the claim, in whole or in part, provides the aggrieved person with twenty (20) days in which to file a formal appeal.
 - (1) If the aggrieved person accepts the decision, or fails to file a formal appeal within twenty (20) days, the case is closed, provided all payments have been made and other services have been provided.
 - (2) If the aggrieved person files a formal appeal, the case is referred immediately for a formal hearing before a Hearing Officer.
- D. Formal Hearing Procedures — As soon as possible a formal hearing is scheduled and the appeal will be carried out under the provisions of WAC 468-100-010(9) through (16).

12-5.6 Civil Rights

- A. The department takes affirmative action to ensure that replacement housing resources are, open to all races and sexes without discrimination. This is determined at the time the Relocation Agent is searching for available replacement housing. Potential replacement dwellings not considered "open housing" are not used as available housing.
- B. The department fully informs displacees of procedures for hearing fair housing discrimination complaints.
 1. The displacee is advised of the department's procedure at the time of initial contact.
 2. Upon receipt of a fair housing discrimination complaint, the Relocation Agent refers the displacee to the Division of Equal Opportunity and Fair Housing, Department of Housing and Urban Development, or to the nearest area office of the Washington State Human Rights Commission.
- C. The department fully informs relocatees of their fair housing rights and options in selecting replacement housing in areas of their choice and the available assistance from the department in ensuring relocatees that their fair housing rights are protected by the Washington State Human Rights Commission under Chapter 49.60 Revised Code of Washington in accordance with Title VIII of the Civil Rights Act of 1968 and the HUD Amendment Act of 1974. This information is given the displacee at the time of initial contact.
- D. The department, to the extent possible, assists relocatees in ensuring against discriminatory practices in the purchase and rental of residential units on the basis of race, color, religion, sex, or national origin.

12-6 Residential Relocation Benefits

12-6.1 Eligibility

- A. Individuals and families displaced from a dwelling acquired for a highway project or program are eligible for replacement housing payments and moving payments in addition to the advisory services described in Section 12-5.
- B. The type of Replacement Housing Payments for an individual or family depends on the type and length of occupancy.
 - 1. 180-day Owner — A person who owns and occupies the displaced dwelling for at least 180 days prior to initiation of negotiations would be eligible for a price differential or a rent supplement.
 - 2. 90- to 179-day Owner — A person who owns and occupies the displaced dwelling for at least 90 days but less than 180 days prior to initiation of negotiations would be eligible for a rent supplement or down payment
 - 3. 90-day Tenant — A person who rents and occupies the displaced dwelling for at least 90 days prior to initiation of negotiations would be eligible for a rent supplement or a down payment.
- C. The displaced individual or family is not required to relocate to the same occupancy (owner or tenant) status and has certain options regarding their status.
 - 1. A 180-day owner may elect to become a tenant and receive a maximum rent supplement of \$5,250.00.
 - 2. A 90- to 179-day owner or 90-day tenant may elect to become owners and receive down payment assistance.
- D. Only one Replacement Housing Payment is authorized for each dwelling unit except in case of multi-family occupancy of a single family dwelling.

12-6.2 Decent, Safe, and Sanitary Standards

- A. Local Codes — A decent, safe, and sanitary dwelling is one which conforms with all applicable provisions for existing structures that have been established under state or local building, plumbing, electrical, housing, and occupancy codes and similar ordinances or regulations.
- B. Minimum Standards — In those cases where local codes do not exist, do not address, or are less restrictive than the minimum standards listed hereinafter, the following minimum housing/dwelling standards shall apply:
 - 1. Water — Such dwelling unit, excluding a rental sleeping room, has a continuing and adequate supply of potable safe water.
 - 2. Kitchen — Such dwelling, excluding a rental sleeping room, has a kitchen or an area set aside for kitchen use which contains:
 - a. A sink in good working condition and connected to hot and cold water and an adequate sewer system.
 - b. Utility service connections and adequate space for the installation of a stove and refrigerator.

3. Heating System — Such dwelling unit or rental sleeping room has an adequate heating system in good working order which will maintain a minimum temperature of 70 degrees Fahrenheit in the living area.
 4. Bathroom Facilities — Such dwelling unit or rental sleeping room has a bathroom, well lighted and ventilated and affording privacy to a person within it, containing a lavatory basin and bathtub or stall shower, properly connected to an adequate supply of hot and cold running water, and a flush toilet, all in good working order and properly connected to a sewage disposal system. For rental sleeping rooms, also provides a lockable bathroom door if such bathroom is separate from the sleeping room.
 5. Electric System — Such dwelling unit or rental sleeping room has an adequate and safe wiring system for lighting and other electrical services.
 6. Structurally Sound — Each building used for dwelling or rental sleeping room purposes is structurally sound, weather-tight, in good repair, and adequately maintained.
 7. Egress — Each building used for dwelling or rental sleeping room purposes has a safe, unobstructed means of egress leading to safe open space at ground level. Each dwelling unit in a multi-dwelling building has access either directly or through a common corridor to a means of egress to open space at ground level. In multi-dwelling buildings of three stories or more, the common corridor on each story has at least two means of egress.
 8. If the displacee is handicapped, the replacement dwelling shall be adequate in terms of access and livability with respect to the person's limitations.
- C. Exceptions — The ADRAP may grant exceptions to decent safe and sanitary standards when requested in writing by the displacee. Such exceptions are limited to items and circumstances that are beyond the reasonable control of the displacee to adhere to the standards. Approved exceptions do not affect the computation of the replacement housing payment.

12-6.3 Replacement Housing Payments

12-6.3.1 180-Day Owner Occupant

12-6.3.1.1 Replacement Housing Payments for 180-Day Owner Who Purchases

- A. General
1. A displaced owner-occupant may receive payments, the combined total of which may not exceed \$22,500 for the additional cost necessary to:
 - a. Purchase replacement housing (also referred to as Price Differential).
 - b. Compensate the owner for the loss of favorable financing on the existing mortgage in the financing of replacement housing (also referred to as "Increased Mortgage Interest Costs").
 - c. Reimburse the owner for expenses incidental to the purchase of replacement housing (also referred to as "Incidental Purchase Expense.")

2. The displaced owner-occupant is eligible for such payments provided:
 - a. The displacee is in occupancy at the initiation of negotiations of the acquisition of the real property, or at the time a written notice is given stating WSDOT's intent to acquire the property by a given date.
 - b. Such ownership and occupancy has been for at least 180 consecutive days immediately prior to the earlier of:
 - (1) The initiation of negotiations.
 - (2) The date the occupant vacates, if the displacee has been given a notice of intent to acquire.
 - c. The property is acquired by WSDOT, or WSDOT issues an order to vacate even though the property is not acquired.
 - d. The displacee purchases and occupies a decent, safe, and sanitary dwelling within the time period specified in Section 12-6.2.
 - e. For the purposes of d. above, a dwelling is considered to be purchased by the displacee when:
 - (1) An existing dwelling is acquired by the displacee; or
 - (2) The displacee purchases a life estate in a retirement home or contracts for extended residence in a limited care or full care facility that provides medical and residential services to persons unable to live independently and provide their own care. The actual cost is the entrance fee plus any other monetary commitments to the home, not including periodic service charges; or
 - (3) The displacee relocates and/or rehabilitates a dwelling which the displacee owns or acquires. If the replacement dwelling selected by the displacee does not meet the "decent, safe, and sanitary" criteria or lacks "major exterior attributes," the cost to correct such deficiencies is eligible to the extent that the sum of the cost of the replacement dwelling and the cost of correcting the deficiencies do not exceed the price differential based on comparable replacement properties. Major exterior appurtenances are explained in more detail later in this section. **Note:** Improvements to the replacement property beyond those reasonable and necessary to correct DS&S deficiencies are not considered in qualifying for replacement housing payments; or
 - (4) The displacee contracts for the construction of a new decent, safe, and sanitary dwelling on a site which the displacee owns or acquires. Reimbursement is limited to only those costs necessary to construct a dwelling comparable to the one acquired. The cost of adding new features to bring the cost up to the maximum replacement housing amount is not eligible for reimbursement.

B. Price Differential

1. Amount of Payment

- a. The price differential is the calculated amount of any difference between the acquisition price of the dwelling and the actual costs which the owner is required to pay for a decent, safe, and sanitary dwelling or the amount determined by WSDOT that would be necessary to purchase such a decent, safe, and sanitary comparable dwelling, whichever is less.
 - b. If the displacee desires to change dwelling status to a tenant, WSDOT makes a reasonable effort to accomplish the request. The rent supplement is computed in accordance with Section 12-6.3.3.1, except that the base monthly rent is the economic rent of the acquired dwelling. The maximum rent supplement to an owner who chooses to become a tenant is \$5,250.
2. Amount of Payment to Occupant With a Partial Ownership
 - a. When a single family dwelling is owned by several persons, but occupied by only some of said owners, the maximum price differential benefit is calculated as if all owners occupied the dwelling. The occupant(s) would then be required to spend all of their proportionate share of the acquisition payment plus the full amount of the calculated price differential to receive the maximum price differential.
 - b. If unusual circumstances create an undue hardship on the displaced occupant(s) with partial ownership, other solutions may be provided if approved by the ADRAP. Any such solution would be treated as Housing of Last Resort.
 - c. If the displaced owner-occupants do not purchase and occupy a decent, safe, and sanitary dwelling, they are entitled to receive a rent supplement payment provided they rent and occupy a decent, safe, and sanitary dwelling.
3. Calculation of Maximum Price Differential
 - a. Three Comparable Method — The asking price of at least three comparables are analyzed to determine the replacement housing payment. The analysis is not a mere averaging but a correlated conclusion based on the most comparable available dwelling that is as good as or better than the dwelling to be acquired. Less than three comparables may be used for this determination when sufficient comparables are not available on the market. The reasoning leading to the use of less than three comparables is explained by the Relocation Agent in the “Remarks” section of the Housing Comparison Worksheet. Selection of comparables and computation of payment is made by a qualified employee other than the appraiser, the review appraiser, or the negotiator on the parcel involved.
 - b. Adjustments to Asking Price of Comparables — An adjustment is made to the asking price of the selected comparables if justified by local market data. An example of this situation might be where a surplus of dwellings are available for sale in the area from which the comparables are selected and the “typical” dwelling sells for 5 percent

below the asking price. The price differential calculation should reflect this 5 percent decrease. However, if an adjustment is made to the comparable used in determining the displacee's benefits and the displacee cannot acquire the comparable for the reduced amount, the price differential must be adjusted to compensate for the actual price paid, but not to exceed the unadjusted asking price upon which the calculation was based. If a dwelling is obviously overpriced in comparison to other comparables, it is not used in the replacement housing computation.

- c. Major Exterior Attributes — The replacement dwelling used in computing the replacement housing payment must be comparable to the living unit acquired. When the comparable replacement dwelling used in computing the replacement housing payment is similar except that it lacks a major exterior attribute such as a garage, an outbuilding, a swimming pool, etc., the value of such items is subtracted from the acquisition cost of the displacement dwelling.
 - d. Mixed Use Property, Multifamily Property, or Lot Larger than Typical — If the displacement dwelling is part of a property that contains another residential dwelling unit, and/or is part of a property that is partially used for non residential purposes, and/or is located on a tract of land that is larger than a site that is typical for residential purposes, only that portion of the property which is attributable to the residential use shall be considered as the acquisition cost when computing the price differential. Contact Headquarters for samples of appropriate applications of this provision.
- C. Incidental Purchase Expenses — The amount of the incidental purchase expense payment is the amount necessary to reimburse the displacee for the actual cost incurred incidental to the purchase of the replacement dwelling, not including prepaid expenses such as purchaser's advance payment into a reserve account for payment of future taxes, insurance, etc. These regulations pertain solely to incidental expenses in connection with a displacee's acquisition of a replacement dwelling.
- 1. Incidental purchase expenses may include the following items if normally paid by the buyer:
 - a. Legal, closing, and related costs including title search, preparing conveyance contracts, notary fees, surveys, preparing drawings, or plats and charges paid incidental to recording.
 - b. Lender's, FHA, or VA appraisal fees.
 - c. FHA or VA application fees.
 - d. Certification of structural soundness when required by the lending agency, FHA, or VA.
 - e. Credit report.
 - f. Lender's title policy or abstract of title, based on the outstanding balance of any loan on the displacement dwelling.

- g. Escrow Agent's fee.
 - h. Housing Inspections when buyer pays.
 - i. Sales or transfer taxes.
 - j. Loan origination or assumption fees that do not represent prepaid interest.
 - 2. No fee, cost, charge, or expense is reimbursable as an incidental expense which is determined to be a part of the debt service or finance charge payable as part of the increased interest payment.
 - 3. Incidental purchase expenses are determined from a copy of the preliminary closing statement and verified from a copy of the final closing statement.
- D. Increased Mortgage Interest Costs — The payment for increase mortgage interest cost is that amount which will reduce the mortgage balance on a new mortgage to an amount which could be amortized with the same monthly payment for principal and interest as that for the mortgage(s) on the displacement dwelling. Increased mortgage interest costs are based only on bona fide mortgages that were valid liens on the displacement dwelling for at least 180 days prior to the initiation of negotiations.
- 1. The payment shall be based on the unpaid mortgage balance(s) on the displacement dwelling. In the event the person obtains a smaller mortgage than the mortgage balance(s) used to compute the "buy down" amount, the payment will be prorated and reduced accordingly. In the case of a home equity loan, the unpaid balance is that balance which existed 180 days prior to the initiation of negotiations or the balance on the date of acquisition, whichever is less.
 - 2. The payment is based on the remaining term of the mortgage(s) on the displacement dwelling or the term of the new mortgage, whichever is shorter.
 - 3. The interest rate on the new mortgage used in determining the amount of the payment cannot exceed the prevailing fixed interest rate for conventional mortgages currently charged by mortgage lending institutions in the area in which the replacement dwelling is located.
 - 4. Purchaser's points and loan origination or assumption fees, but not seller's points, are paid to the extent:
 - a. They are not paid as incidental expenses;
 - b. They do not exceed rates normal to similar real estate transactions in the area;
 - c. WSDOT determines them to be necessary; and
 - d. The computation of such points and fees are based on the unpaid mortgage balance on the displacement dwelling, less the amount determined for the reduction of such mortgage balance under this section.

5. The displaced person shall be advised of the approximate amount of this payment and the conditions that must be met to receive the payment as soon as the facts relative to the person's current mortgage(s) are known. The payment shall be made available at or near the time of closing on the replacement dwelling in order to reduce the new mortgage as intended.
 6. The payment is contingent upon an actual mortgage being placed on the replacement dwelling.
- E. **Total Payment** — The total of the payments for purchase of replacement housing (Price Differential, increased interest, and incidental purchase expenses) cannot statutorily exceed \$22,500 under this section. If the amount is more than this maximum, last resort housing is required (see Section 12-6.4).
- F. **Owner Salvage** — If the owner elects to purchase salvage rights to the acquired dwelling (in accordance with procedures described in Chapter 6), and relocates and occupies same, the price differential is computed as follows:
1. **Dwelling is Decent, Safe, and Sanitary** — The payment, if any, is the amount by which the costs to reestablish the salvaged dwelling exceed the acquisition price of the dwelling. The replacement housing costs include the costs of acquiring a new site or, if the dwelling is moved on to remainder land, the market value of the home site and other expenses incidental to relocating the dwelling and restoring it to a condition comparable to that before the move.
 2. **Dwelling is Not Decent, Safe, and Sanitary.** — The payment is computed as shown above, plus the costs to make the replacement housing meet decent, safe, and sanitary standards.
 3. **Limitations** — The payment computed under this subsection may not exceed the amount of the calculated maximum price differential.

12-6.3.1.2 Rent Supplement Payment for 180-Day Owner Who Rents

- A. **General** — A displacee owner who is eligible for a replacement housing payment but who elects to rent a replacement dwelling is eligible for a rent supplement payment not to exceed \$5,250.
- B. **Computation and Disbursement of Payment** — The payment is computed and disbursed as provided for a 90-day tenant who rents. The base rental rate is defined as the economic rent. Computation for this payment is submitted on a Rent Supplement Report and the Housing Comparison Worksheet.

12-6.3.2 90- to 179-Day Owner Occupant

12-6.3.2.1 Replacement Housing Payments for 90-Day Owner Who Purchases

- A. A displaced "90-day owner" is treated in the same manner as a 90-day tenant. The replacement housing payment would be calculated as a rent supplement.
 1. The displacee may elect to use the rent supplement as a down payment to purchase a replacement dwelling.
 2. The maximum calculated rent supplement cannot exceed the amount of a price differential if the owner had qualified as a 180-day owner.

- B. The owner may salvage and relocate the displacement dwelling in the same manner as a 180-day owner. The Replacement Housing Payment would not exceed the calculated rent supplement.
- C. If the displacee elects to rent for a period of time before purchasing a replacement dwelling, any rent already paid shall be deducted from the total calculated Replacement Housing Payment and only the remaining balance will be available as a down payment.

12-6.3.2.2 Rent Supplement Payment for 90-Day Owner Who Rents

A displaced 90-day owner, who elects to rent a replacement dwelling rather than purchase is eligible for a Replacement Housing Payment not to exceed \$5,250.

12-6.3.3 90-Day Tenants

12-6.3.3.1 Rent Supplement for a 90-Day Tenant Who Rents

- A. General — A displaced 90-day tenant is eligible for a rent supplement payment not to exceed \$5,250 when the following conditions are met:
 - 1. The displacee is in occupancy at the initiation of negotiations for the acquisition of the real property, or is in occupancy at the time a written notice is given by WSDOT that it intends to acquire the property by a given date.
 - 2. The displacee has been in occupancy for at least ninety (90) consecutive days immediately prior to the initiation of negotiations or 90 days prior to the date of vacation, if a notice of intent to acquire was previously delivered.
 - 3. The property is subsequently acquired or an order to vacate is delivered even though the property is not acquired.
 - 4. The displacee rents and occupies a decent, safe, and sanitary dwelling within one year from the date they move from the displaced dwelling.
- B. Computation of Payment
 - 1. Amount of Payment — A maximum rent supplement payment is calculated using a Rent Supplement Report and Housing Comparison Work Sheet. The payment is determined by multiplying 42 times the amount obtained by subtracting the base monthly rental and utility costs for the displacement dwelling from the monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling.
 - 2. Utilities Costs — Utilities include heat, light, water, and sewer. The relocation agent may use various sources to obtain this information including displacee's receipts or monthly billings, a schedule or average cost provided by the respective utility company or a utility rate cost schedule if available, from the local housing authority. Schedules may be based upon number of adults and children in the family, approximate square footage of the dwelling, type of construction, etc. The data source must be identified under the Correlation and Conclusion portion of the Housing Comparison Worksheet.

3. Base Monthly Rent — This amount is the lesser of:

- a. The actual monthly rent and average utilities at the displacement dwelling; or
- b. Thirty percent of the displacee's average monthly gross income. If the displacee refuses to provide accurate information regarding income, actual or economic rent is used; or
- c. The monthly amounts designated for shelter and utilities if the displacee is receiving welfare assistance.

- C. Change of Occupancy — Displacee Has Not Used Maximum Entitlement — A tenant, after initially moving to a decent, safe, and sanitary dwelling that does not maximize the calculated rent supplement, may relocate to another higher cost replacement dwelling within the one-year period, and may submit another claim for the amount in excess of what was originally claimed, but not to exceed the maximum rent supplement computed. The Relocation Agent makes a decent, safe, and sanitary inspection, confirms the new rental amount, and re-computes the rental supplement based upon the new rental amount. The claim is then processed in accordance with this manual.

12-6.3.3.2 Replacement Housing Payment for a 90-Day Tenant Who Purchases

- A. General — A displaced tenant eligible for a rent supplement payment who elects to purchase a replacement dwelling is eligible to receive an amount, not to exceed the amount of the maximum rent supplement or \$5,250 whichever is greater, to enable the displacee to make a down payment toward the purchase of a replacement dwelling.
- B. The full amount of the replacement housing payment must be applied to the purchase price of the replacement dwelling and related incidental purchase expenses, not including prepaid costs like taxes and insurance. Since the displacee usually lacks sufficient funds to make the down payment without these funds, an escrow arrangement is usually established.

12-6.3.4 Short-Term Occupants and Subsequent Occupants

Short-term occupants are persons who have been in occupancy less than ninety (90) days prior to initiation of negotiations. Subsequent occupants are persons who move into the displacement dwelling after initiation of negotiation, but prior to WSDOT's actual acquisition of the property. These displaced persons are entitled to relocation assistance advisory services and moving payments. However, if comparable DS&S housing is not available within the displacee's financial means, which is determined to be 30 percent of the displacee's gross monthly household income, these occupants will be eligible for all relocation assistance benefits.

12-6.4 Housing of Last Resort

12-6.4.1 Applicability

- A. Basic Rights of Persons to be Displaced — Notwithstanding any provision of this subpart, no person shall be required to move from a displacement dwelling unless comparable replacement housing is available to such person. No person may be deprived of any rights the person may have under the Uniform Act or

this section. WSDOT will not require any displaced person to accept a dwelling provided by WSDOT under these procedures unless WSDOT and the displaced person have entered into a contract to do so. A displaced person may choose other replacement housing and receive relocation benefits if all requirements are met by the chosen replacement dwelling.

- B. A number of situations may arise which require the application of this section:
1. The replacement housing payment will exceed statutory the monetary limits set forth as follows:
 - a. \$22,500 for 180-day owner occupants. This amount represents the sum of price differential, increased mortgage interest, and incidental expenses.
 - b. \$5,250 for 90-day tenant occupant. This amount is the rent supplement.
 2. There is no comparable housing available for sale in the entire project area.
 3. Comparable housing is not available within the financial means of a displaced person who fails to meet the necessary length of occupancy requirements and does not, therefore, qualify for a replacement housing payment under Section 12-4. In other words, a less than 90-day occupant who cannot find comparable housing within the displacee's financial means is eligible for housing of last resort. **Note:** A dwelling is considered to be within a displacee's financial means if the monthly rental rate does not exceed 30 percent of the displacee's gross monthly income.
 4. A program or project cannot be advanced to completion in a timely manner without last resort housing assistance.

12-6.4.2 Methods of Providing Housing of Last Resort

- A. Super Payments
1. In the case of a 180-day owner occupant whose total calculated replacement housing payment exceeds \$22,500, usually the most economical and reasonable method of providing housing is by paying the entire calculated RHP towards the purchase of the replacement dwelling. This is done by utilizing the Escrow Agreement format found in Chapter 13. The relocation agent explains to the displacee (buyer), the seller, and the Escrow Agent, that:
 - a. The entire amount of WSDOT's payment is to be applied toward the purchase price and applicable closing costs of the replacement dwelling.
 - b. The replacement dwelling must be inspected by WSDOT to ensure that it meets the decent, safe, and sanitary requirements.
 - c. The displacee must be in occupancy of the replacement dwelling prior to release of WSDOT's funds from escrow.
 - d. The Escrow Agent cannot release WSDOT's funds until WSDOT provides written notification that requirements of "b" and "c" above have been met.

2. In the case of a 90-day occupant whose estimated replacement housing payment exceeds \$5,250, and a rent supplement payment is selected as the most economical method of providing replacement housing, two types of payments may be made:
 - a. A split payment with the initial payment of \$5,250.00 made at the time the displacee occupies a qualified replacement dwelling and the remaining benefit amount paid six months later.
 - b. The entire amount of the rent supplement is applied toward down payment and closing costs for the replacement dwelling. Escrow procedures must be used.
- B. Rehabilitation or other modifications to an existing dwelling. This may be necessary to enable the dwelling to meet minimum DS&S standards and/or to provide additional bedrooms and other living area.
- C. Purchase of land and improvements.
- D. Construction of new dwellings.
- E. Other methods of providing last resort housing, as approved by the ADRAP.

12-6.4.3.1 Last Resort Housing Plan

- A. A last resort housing plan is required for all cases under this section, where it is estimated that replacement housing payments will exceed statutory limits or comparable DS&S housing is not available, etc.
- B. Anticipated shortfalls of replacement housing which will require construction or purchase and rehabilitation of existing housing should be addressed as early as the Environmental Impact Statement, if possible. This will allow for sufficient lead time to ensure that replacement housing will be in place at the appropriate time. Last resort housing requiring super payment or other solutions must be addressed at the Relocation Plan Stage.
- C. A memorandum from the region to the ADRAP describing the need for last resort housing and how it will be implemented is required no later than the time the relocation benefit computations are submitted. If an option other than a super payment is recommended, the plan should be submitted for approval as soon as possible.
- D. Relocation payments in excess of \$22,500 for owner occupants and \$5,250 for tenants must be coded properly in the "object of expenditures" portion of the Relocation Assistance Voucher. The payment must be broken out to show that the amount of payment within the statutory limits will be a non last resort payment while the amount in excess of the limits would be shown as last resort.

12-6.5 Residential Moving Benefits

A "displaced person" is entitled to receive a payment for moving the personal property located on the displacement property. The displacee has the option of selecting a commercial move or a self move scheduled payment based on the number of rooms.

- A. Multiple Occupancy of Dwelling Units — Two or more families occupying the same dwelling unit who relocate into separate dwelling units may elect to receive a commercial move or receive a self move, scheduled payment for each family. A self move, scheduled payment is based on the number of rooms actually occupied by each family plus community rooms utilized by each family.
- B. Dwelling Salvage — When an owner acquires salvage rights to the acquired dwelling, the cost of moving that dwelling onto remainder or replacement land is not eligible for reimbursement as a part of the cost of moving personal property. However, if the displacee chooses to use this dwelling as a means of moving personal property, the cost of moving personal property is considered eligible. Payment in these cases would be on a self move, scheduled payment basis.
- C. Moving Advisory Assistance — The Relocation Agent encourages the displacee to select a commercial move if there is any concern for the displacee's ability to accomplish the move economically or safely by any of the other methods for which the displacee is eligible. The agent points out the advantages of a commercial move including: professional labor, appropriate equipment, insurance against risks, professional management, and other factors as compared to the risks and other management problems present in any other method of moving.

12-6.5.1 Self Move, Scheduled Payment

- A. A displaced individual or family is eligible to receive a moving expense and dislocation allowance according to the schedules shown below. The schedules apply to occupants of furnished or unfurnished dwelling units.

Moving Payment Schedules

Room Count Method

(For relocating personal property to be moved from a dwelling unit.)

Number of Eligible Rooms	Occupant Owns Furnishings	Payment to Occupant Who Does Not Own Furnishings
1	\$450	\$300
2	\$600	\$350
3	\$750	\$400
Additional Rooms	\$150 each	\$50

- B. Computation
 - 1. The moving expense payment is computed on the number of furnished rooms in the dwelling unit plus basements, attics, garages, and "out buildings" if such spaces do, in fact, contain sufficient personal property to constitute a room or rooms.
 - 2. The number of eligible rooms are documented by the Relocation Agent in their diary. This room count shall be approved by the Region Relocation Supervisor. Where unusual personal property situations exist, other rooms may be added as long as justification and documentation are provided and the Region Relocation Supervisor approves.

- C. Occupant Landlords — Occupant landlords may elect either move method but only for their own living unit. Landlords are considered to be business operators and as a business operator, such landlord may be eligible for the business moving payments with respect to the personal property furnishings in rental units.
- D. In cases where the displacement is a sleeping room, such as a dormitory, and the displacee has little personal property, the fixed payment is limited to \$50.
- E. Authorization — Before the move, the Relocation Agent and the displacee complete the Moving Expense Agreement, which confirms the type of move and agreed upon amount (for a self move.)
- F. Inspection — After the move, the Relocation Agent inspects the acquired dwelling and verifies that all the personal property has been removed. If sufficient quantities of personal property remain, which would constitute a room or rooms, the agent will reduce the number of rooms and adjust the payment accordingly. Diary entries are required to verify the results of the inspection and any adjustments to the moving expense payment.

12-6.5.2 Actual Moving Expenses by Commercial Mover

- A. A displacee may elect to have the department contract for and pay a commercial mover directly for the move of their personal property. A Moving Expense Agreement is required and completed so the move can be ordered. The Relocation Agent will advise the displacee that any item considered to be irreplaceable or of exceptional value should be identified. Special arrangements may need to be made for moving these items separate from the rest of the displacee's property. A memorandum to the ADRAP describing the items requiring special handling is required along with the agent's recommendation on a moving method.
- B. Other Expenses — Under certain unusual and/or unforeseen circumstances, it may be necessary to reimburse the displacee for actual costs incurred during their move. The region submits a memorandum to the ADRAP explaining the situation and requests approval for reimbursement of certain expenses as follows:
 - 1. Actual costs of temporary lodging and meals based on either actual receipts or using state per diem rates.
 - 2. Actual costs of transportation of displaced persons to the replacement dwelling if necessary in special cases such as ambulance transport or special transport of disabled persons.

12-6.6 Claiming Relocation Benefits

12-6.6.1 Replacement Housing Claims

- A. Requirements
 - 1. 180-Day Owner — must purchase or rent and occupy a DS&S replacement dwelling within one year from the later of:
 - a. the date the person receives final payment for the displacee dwelling or, in the case of condemnation, the date the required amount is deposited in court; or

- b. the date the person moves from the displacee dwelling.
 2. 90- to 179-Day Owner — must purchase or rent and occupy a DS&S replacement within one year from later of:
 - a. the date the person receives final payment for the displacee dwelling or, in the case of condemnation, the date the required amount is deposited in court; or
 - b. the date the person moves from the displacee dwelling.
 3. Tenant — must purchase or rent and occupy DS&S within one year from the date the person moves from displaced dwelling.
- B. The relocation agent completes a DS&S inspection to determine if replacement dwelling meets minimum standards to receive payment.
- C. The relocation agent obtains preliminary information from the escrow company to determine eligible incidental closing costs, if any.
- D. The relocation agent works with the displacee and the lender when necessary to calculate the Increased Interest Differential, if any, prior to closing.
- E. The relocation agent prepares the appropriate vouchers which are used as the claim for payments, obtains displacee signatures, and secures agency signatures as provided on the Relocation Assistance Voucher form.
- F. The relocation agent submits all claims, on behalf of the displacee, to Headquarters for approval and payment.

12-6.6.2 Moving Claims

- A. The relocation agent and the displacee should agree on the type of move to be selected by displacee prior to any move taking place.
 1. If a self move is chosen, all parties should agree on room count and sign the Moving Expense Agreement.
 2. If a commercial move is chosen, all parties should sign the Move Expense Agreement and submit it to Headquarters for ordering a mover.
- B. When the move is complete, the relocation agent verifies that all personal property is removed from displacement property and verified to be at the replacement property. Upon such verification, the relocation agent prepares a claim (voucher), secures the appropriate signatures and submits the claim to Headquarters for processing and payment.
- C. In case of a commercial move, the relocation agent verifies that the move is complete.
 1. If personal property is left at displacement property, the agent obtains a statement that the displacee is abandoning the personal property to the state and will not claim payment for moving said abandoned property.
 2. If personal property is not removed and not abandoned, the relocation agent arranges to have said remaining property moved to the replacement property.
 3. When the move is complete, invoices from the movers will be processed for direct payment to the movers.

- D. The relocation agent assures that the displacee makes a claim for move payment within 18 months after vacating the displacement property or receiving final payment, as appropriate. If the displacee has not claimed moving benefits, the relocation agent advises the displacee of time remaining within which to file a claim.

12-6.6.3 Advance Payment Claims

12-6.6.3.1 General

As a general rule, moving cost payments and replacement housing payments are not made prior to completion of the move, and/or occupancy of the replacement dwelling. However, exceptions arise where, due to extenuating circumstances, the case merits special consideration. When these special cases arise, the ADRAP may authorize advance payment of relocation claims.

12-6.6.3.2 Advance Replacement Housing Payments

- A. In cases where a displacee is entitled to a replacement housing payment for a replacement dwelling but does not have sufficient funds with which to gain the right of occupancy prior to receiving relocation payments, the ADRAP may authorize payment for the replacement dwelling in advance of occupancy.
- B. Any advance replacement housing payment for an owner occupant must be paid to an escrow agent.
- C. Any advance replacement housing payment for a tenant occupant must be paid jointly to the lessor of the replacement dwelling and the displacee or to an escrow agent in the case of a purchase.
- D. The ADRAP examines each case to determine that such advance payment is reasonable and necessary. Requests for down payment and rent supplement advances are authorized where payment of the down payment or a rental deposit is a prerequisite to occupancy.
- E. Requests for advanced replacement housing payments to owners are authorized upon verification that the funds made available directly to the displacee from the department's acquisition of the property are insufficient to secure occupancy of a replacement dwelling.
- F. The burden of proving the reasonableness and necessity of advance payments rests upon the displacee requesting the advance payment.

12-6.6.3.3 Advance Moving Payments

When a displacee is financially unable to pay the expenses involved in a move, a payment in advance of the move may be authorized. Payments reasonably necessary to cover the costs incidental to moving may be approved by the Regional RES Manager and paid in advance of the move. This advance payment may cover such incidental expenses as transportation, equipment and materials. Advance payment must be authorized by the ADRAP, acting upon a written request from the displaced person or region relocation agent. The amount of any proposed advance payment should not exceed 25 percent of the total move amount, unless there are unusual and extraordinary circumstances. The amount so paid is deducted from any reimbursement for moving expenses which is due the displacee upon completion of the move.

12-6.7 Processing and Payment of Claims

- A. When the displacee is ready to make claims for any or all of their relocation benefits, including moving costs, price differential payments and associated incidental costs, rent supplement or down payment, the relocation agent provides the displaced person with appropriate forms for making the claim and secures necessary documentation from the displaced person.
- B. Once these forms are signed by the displacee, the claim (voucher) and associated documentation are transmitted to Headquarters for final approval.
- C. Upon final approval by Headquarters, the ADRAP authorizes payment and the voucher is forwarded to the accounting section for processing and generation of the payment (warrant).
- D. Both the region and Headquarters should monitor partial and advanced payments to assure that the displacee does not receive payment in excess of their maximum entitlements.
- E. In cases where advance payments of a price differential or down payment is required prior to occupancy, the payment will be directed into escrow for distribution as appropriate and in accordance with agreed upon escrow instructions.
- F. Rent owed to WSDOT by a displaced person may be deducted from a relocation payment upon approval by the ADRAP. Any such deduction will be approved only if it will not preclude the displaced person from successfully relocating.

12-7 Business/Farm/NPO Relocation Benefits

12-7.1 Eligibility

Displaced businesses, farms, and nonprofit organizations may become eligible to receive moving payments for the following:

- A. Moving of personal property located within the acquired right of way.
- B. Moving of personal property when the acquisition of real property used for a business or farm operation causes that displacee to vacate a dwelling or other real property not acquired.
- C. Reasonable and necessary moving payments for moving a property owner's business related personal property from a non owner occupied residential property.
- D. One move, except where it is determined by the ADRAP that it is in the public interest to authorize more than one move.

12-7.2 Moving Payments

12-7.2.1 Actual Move Costs

- A. A displaced business is entitled to payment for actual moving costs which are determined by the department to be reasonable and necessary. Actual moving costs include:
 - 1. Transportation of personal property within a 50-mile radius.
 - 2. Packing, crating, unpacking, and uncrating of personal property.

3. Disconnecting, dismantling, removing, reassembling, and reinstalling equipment, machinery, and other personal property.
4. Other incidental expenses including:
 - a. Storage of personal property for a period not to exceed 12 months if such expense is determined to be reasonable and necessary. Storage must be pre-approved by the ADRAP.
 - b. Insurance for the replacement value of the personal property during the move.
 - c. Any license, permit, or certification required at the replacement site which the displaced business had at the displacement location. The amount of this payment may be based on the remaining useful life of the existing license, permit, or certification.
 - d. The replacement value of property lost, stolen, or damaged during the move.
 - e. Professional services for planning, moving, and reinstalling the personal property.
 - f. Relettering signs and replacing printed materials made obsolete by the move.
 - g. Direct Loss of Tangible Personal Property. This payment is the lesser of the fair market value of the personal property item for continued use at the displacement site or the estimated cost to move the item (not including storage) (see 12-7.2.1.1 for details).
 - h. The reasonable cost incurred in trying to sell an item that is not to be relocated.
 - i. Purchase of Substitute Personal Property. If an item of personal property is not moved, but is promptly replaced with a substitute item, this payment is the lesser of the cost to purchase this substitute item, including installation, or the estimated cost to move the item (see 12-7.2.1.2 for details).
 - j. Expenses for searching for a replacement location, including transportation costs, meals and lodging, time or labor costs, or fees paid to real estate agents or brokers. This payment shall not exceed \$1,000.
 - k. Costs to secure move bids.

B. Options for Actual Cost Moves

1. Commercial Moves

- a. The owner of a displaced business can request that WSDOT provide a commercial mover and pay that mover directly. The displacee must indicate this option on the Moving Expense Agreement and cooperate with WSDOT by preparing an inventory and working with the Relocation Agent to prepare a moving specification. Contact Headquarters for samples of appropriate Moving Specifications.

- b. Based on the inventory, moving specification, and any other information available, the Relocation Agent must obtain three bids, if possible, from qualified commercial movers. If a mover submits a bid, they will be compensated for their reasonable costs of preparing said bid. The bids, Moving Expense Agreement, inventory, Moving Specification, and region recommendation are then submitted to the ADRAP for review/approval.
2. Self Move
 - a. The displaced person may elect to take full responsibility for the move of their business or farm operation. In this event, the displaced business must prepare an inventory of the personal property to be relocated and assist the Relocation Agent in the preparation of a Moving Specification. The relocation Agent then obtains three bids from qualified commercial movers. The region submit the bids with all supporting information to the ADRAP with their recommendation to offer a payment to the displaced business for move costs.
 - b. The amount of the payment to be offered to the displaced business may not exceed the lowest acceptable bid submitted by a commercial mover. The Relocation Agent may negotiate a move cost lower than the lowest acceptable bid, taking into account the profit and overhead costs which the commercial mover includes in their bids.
 - c. If bids cannot be obtained due to time constraints or unreasonable circumstances (like fluctuating inventory), the displaced business may move their business using their own resources. The displaced business will be reimbursed their actual and reasonable moving costs as documented by paid receipts or other reasonable evidence of expenses.
3. Combination of Commercial and Self Move. A displaced business may elect to have a combination of both a commercial and a self move. The displaced business must coordinate with the Relocation Agent and the commercial mover to insure that all parties have a clear understanding of the respective roles and responsibilities. The relocation agent must closely monitor the move to confirm that each party is performing the correct tasks and duties.

12-7.2.1.1 Actual Direct Losses of Tangible Personal Property

- A. Eligible Items — Actual direct losses of tangible personal property are allowed when incurred as a result of moving or discontinuing the business or farm operation. The payment shall consist of the lesser of:
 1. The fair market value of the item for continued use at the displacement site, less the proceeds from its sale. (To be eligible for payment, the claimant must make a good faith effort to sell the personal property, unless WSDOT determines that such effort is not necessary. When payment for property loss is claimed for goods held for sale, the fair market value shall be based on the cost of the goods to the business, not the potential selling price.); or
 2. The estimated cost of moving the item, but with no allowance for storage. (If the business or farm operation is discontinued, the estimated moving cost is based on a distance of 50 miles.)

- B. Evidence of Sale and Cost — The owner is required to document the sale prices, if any, and the actual reasonable cost of advertising and conducting a sale. The owner must provide WSDOT with a copy of the bills of sale or similar documents and copies of any advertisements, offers to sell, auction records, and other data supporting the bona fide nature of the sale.
- C. Determination of Expenses and Losses — The region compares the amount of the loss (value for continued use) with the reasonable moving expense and recommends payment of the lesser amount in an explanatory memo addressed to the ADRAP
- D. Losses Due to Unsuccessful Sale and Abandonment — Whenever a bona fide sale is not completed because no offer is received for the eligible item and the item is abandoned, the amount of the eligible payment is the lesser of the fair market value of the item(s) for continued use at its location prior to displacement or the estimated moving expense irrespective of the cost to WSDOT for removing the item(s).
- E. When personal property is abandoned with no effort being made by the owner to dispose of such property by sale, the owner is not entitled to moving expenses or losses for the items involved.
- F. The cost for removal of abandoned personal property will not be considered as an offsetting charge against other payments that the displaced person is entitled to receive. However, the cost of moving said property should be deducted from any remaining move cost benefit since the displacee did not actually incur any moving cost.

12-7.2.1.2 Purchase of Substitute Personal Property

- A. If an item of personal property, which is used as part of a business or farm operation, is not moved but is promptly replaced with a substitute item that performs a comparable function at the replacement site, the displaced person is entitled to payment of the lesser of:
 - 1. The cost of the substitute item, including installation costs at the replacement site, minus any proceeds from the sale or trade-in of the replaced item; or
 - 2. The estimated cost of moving and reinstalling the replaced item but with no allowance for storage. The estimated cost for a low cost or uncomplicated move may be based on a single bid or estimate.
- B. “Trade-in value” may be substituted for net proceeds of sale where applicable.

12-7.2.2 Ineligible Move Costs

- A displaced business is not entitled to payment for:
 - A. The cost of moving any structure or other real property improvement in which the displaced person reserved ownership.
 - B. Interest on a loan to cover moving expenses.
 - C. Loss of goodwill.
 - D. Loss of profits.

- E. Loss of trained employees.
- F. Any additional operating expenses of a business or farm operation incurred because of operating in a new location except as provided as a re-establishment expense.
- G. Personal injury.
- H. Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before the agency.
- I. Physical changes to the real property at the replacement location of a business or farm operation except as provided as a re-establishment expense.
- J. Costs for storage of personal property on real property already owned or leased by the displaced person.

12-7.2.3 Re-establishment Expenses

In addition to actual move costs, a small business, farm, or nonprofit organization may be eligible to receive a payment, not to exceed \$10,000, for expenses incurred in re-establishing their operations at a replacement location. These re-establishment expenses must be actual, reasonable, and necessary as determined by the department.

A. Eligible Expenses

1. Repairs or improvements to the replacement property as required by law or code.
2. Modification to the replacement property to enable the business to operate.
3. Construction and installation of new signage to advertise the business.
4. Provision of utilities from right of way to improvements on the replacement site.
5. Redecoration or replacement of soiled or worn surfaces such as carpeting, paint, paneling.
6. Licenses, fees, permits when not paid as part of moving expenses. An example of this would be a building permit.
7. Feasibility surveys, soil testing, and marketing studies.
8. Advertisement of the replacement location.
9. Fees paid to an agent in connection with the purchase or lease of the replacement property.
10. Increased cost of operations for two years at the replacement site for items such as rent, taxes, insurance, and utility costs.
11. Impact fees or one-time assessments for anticipated heavy utility usage.
12. Other items WSDOT considers essential to the reestablishment of the business.

B. Ineligible Expenses

1. Purchase of capital assets such as office furniture, machinery, trade fixtures.

2. Purchase of manufacturing materials, production supplies, product inventory, or other items used in the normal course of business.
3. Interior or exterior refurbishments at the replacement site for aesthetic purposes that exceed the maximum reestablishment payment.
4. Interest on money borrowed to make the move or purchase the replacement property.
5. Payment to a part-time business in the home which does not contribute materially to the household income.

12-7.3 Fixed Payment for Nonresidential Moving Expenses

A business, farm, or nonprofit organization may be eligible to choose a fixed payment in lieu of any payment(s) for actual costs for moving and re-establishment. This payment is referred to as an “In Lieu” payment and is based on net earnings rather than actual moving costs. The minimum payment is \$1,000 and the maximum payment cannot exceed \$20,000 depending on the net earnings of the displaced business, farm, or NPO.

12-7.3.1 Business Eligibility

- A. The displaced business will be eligible for the In Lieu payment if the department determines that:
 1. The business is not part of a commercial enterprise having more than three other establishments (not being acquired by the state) engaged in the same or similar business.
 2. The business is not operated at the displacement dwelling or site solely for the purpose of renting said dwelling on site to others.
 3. The business cannot be relocated without a substantial loss of its existing patronage.
 4. The business contributed materially to the income of the displaced person during the two taxable years prior to the displacement. The term “contribute materially” is defined in Section 12-4.1.
 5. The business owns or rents personal property which must be moved as a result of WSDOT’s acquisition and for which the displacee would incur an expense.
- B. Determining the Number of Businesses — In determining whether two or more business activities constitute a single business (entitled to only one In Lieu payment) or two or more separate businesses (each entitled to an In Lieu payment), all pertinent factors shall be considered, including the extent to which:
 1. The same premises and equipment are shared;
 2. Substantially identical or interrelated business functions are carried out and business and financial affairs are commingled;
 3. The entities are held to the public, and to those customarily dealing with them, as one business; and

4. The same person or closely related persons own, control, or manage the affairs of the entities.
- C. Loss of Existing Patronage
1. Determination as to loss of existing patronage is made only after consideration of all pertinent circumstances, including but not limited to the following factors:
 - a. The type of business conducted by the displaced person.
 - b. The nature of the clientele of the displaced person.
 - c. The relative importance of the present and proposed location to the displaced business and the availability of a suitable replacement location for the displaced person
 2. The term “loss of existing patronage” is construed to mean loss of support or loss of business by customers, patrons, clients, or paying guests. Whenever it is reasonably presumed that the net income of the business for the 12-month period after relocation will be less than the net income of the business before relocation, it can be construed that the business will suffer a “loss of existing patronage.”
 3. A business is presumed to meet the requirement for establishing loss of patronage unless WSDOT determines otherwise.
- D. Payment Determination — The term “average annual net earnings” means one-half of the net earnings of the business before income taxes, during the two taxable years immediately preceding the taxable year in which the business relocated.
1. If the two taxable years immediately preceding displacement are not representative, the Relocation Agent may use a period that would be more representative. Prior to using this alternative procedure, it is first determined that the proposed construction or other nontypical factors not within the control of the displacee were the cause of a decline in net income for the business.
 2. “Average annual net earnings” includes any compensation paid by the business to the owner, the owner’s spouse, or dependents.
 3. In the case of a corporate owner of a business, earnings include any compensation paid to the spouse or dependents of the owner of a majority interest in the corporation and do not include compensation paid to said owner. For the purpose of determining majority ownership, stock held individually, jointly, or in common by a husband, his wife, and their dependent children is treated as being held in one and the same interest.
- E. In Business Less Than Two Taxable Years — If a business was in operation for less than two years prior to displacement, the average annual net income is determined by averaging the monthly net income and prorating this amount for 24 months.

- F. **Owner Provides Information** — For the owner of a business to be entitled to this payment, the business must provide information to support its net earnings. The Relocation Agent assists the displacee in completing the Application for Fixed Payment for Moving Expenses: Business-Farm-NPO. This form indicates the requirements for eligibility and the method of computation of the payment. It also requires that the displacee attach copies of income tax returns and/or other evidence from which “average annual income” is determined in the application.
1. Income tax returns for the tax years in question are the best source of information. A copy of such tax returns would be accepted as evidence of earnings.
 2. Other forms of information commonly used for official business purposes may also be accepted such as financial statements certified by a qualified practicing professional (such as a CPA or an attorney).
 3. WSDOT may accept an affidavit from the owner certifying the amount of net earnings and granting WSDOT the right to review the records and accounts of the business. The owner’s statement alone is not sufficient if the amount claimed exceeds the minimum payment of \$1,000.
 4. Strict confidence regarding tax returns is maintained and no other use is made of them.

12-7.3.2 Farm Operation

In lieu of actual cost payments, any owner of a displaced farm operation may be eligible to receive a payment equal to the average annual net earnings of the farm operation. Such payment shall be not less than \$1,000 nor more than \$20,000 and will be paid if the following requirements are met:

- A. The farm operator has discontinued the entire farm operation at the present location or has relocated the entire farm operation.
- B. In the case of a partial taking, the operator is considered to have been displaced from a farm operation whenever any one of the following applies:
 1. The property remaining after the acquisition will not be an economic unit for the same farm operation as determined by WSDOT during the appraisal process.
 2. The taking caused the operator to be displaced from the farm operation on the remaining land.
 3. The taking caused such a substantial change in the principal operation or the nature of the existing farm operation as to constitute a displacement.

The In Lieu payment is determined in the same manner as for a business.

12-7.3.3 Nonprofit Organization

A displaced nonprofit organization (NPO) may choose a fixed payment in lieu of actual moving and reestablishment if the NPO cannot be relocated without a substantial loss of its existing patronage, membership, or clientele. The payment will not be less than \$1,000 nor more than \$20,000 depending on financial records.

- A. Eligibility — The region determines if the organization meets the definition of a NPO in Section 12-4.1 and is otherwise eligible.
- B. The amount of the payment is the average of two years annual gross revenues less administrative expenses. Gross revenues may include titles, membership fees, or other forms of fund collection. Administrative expenses include rent, utilities, salaries, as well as fund raising expenses.

12-7.4 Move Cost Estimates by Relocation Agents

A relocation agent, after appropriate training, may prepare a move cost estimate if the amount of the estimate does not exceed \$5,000. The amount of such estimate may be used as the basis for negotiating an agreement for self moves and is particularly useful when dealing with moving the personal property of a non occupant dwelling owner (or landlord) or moving personal property from storage.

12-7.5 Claiming Business/Farm/NPO Benefits

12-7.5.1 Timing Requirements

- A. Claims for moving payments and other benefit payments should generally be made after the move of personal property has been completed. The relocation agent must monitor the move to assure that adequate progress is being made to complete the move. Once the move has been completed and verified by the relocation agent, the relocation agent assists the displacee with filing their claim or claims.
- B. Claims for moving payments must be made within 18 months after the following dates:
 - 1. Date of vacation for a tenant occupant.
 - 2. Date of vacation or date of payment for the property, whichever is later, for an owner occupant.

12-7.5.2 Direct Payments to the Displaced Business/Farm/NPO

When the displacee has selected a self move or an In Lieu payment, the payment of benefits should be paid directly to said displacee. The relocation agent should prepare the claims (vouchers), obtain appropriate signatures and submit the claim to Headquarters for processing and payment.

12-7.5.3 Direct Payment to a Commercial Mover

When the displacee has requested the department to provide a commercial move, the relocation agent must verify that the move is complete and that all personal property has been removed from the displacement site and moved to the replacement location. Upon said verification, the moving company should submit an invoice to the department and payment will be made directly to the commercial mover.

12-7.5.4 Direct Payment to a Third Party

If the displacee asks that any payment be made directly to a third party for services rendered during the move, the relocation agent should either have the displacee sign a claim (voucher) directing payment be made to said third party or should

obtain a written request from the displacee directing the department to pay a third party based on the third party's invoice. In no event shall any such direct payment to a third party obligate the department to pay more than the agreed upon move amount as shown in the executed Moving Expense Agreement.

12-7.5.5 Advance Payments

It is often necessary for a business to request advance payments during their move. The ADRAP may approve advance payments based on the amount of the move that has been completed. The relocation agent should monitor the move and determine the percent of the move that has been completed. The relocation agent should then request an advance payment for the displacee based on the amount of move that has been completed. Care must be exercised that advance payments do create a shortage of remaining benefits that would cause the move to not be completed.

12-8 Mobile Homes

12-8.1 Eligibility

- A. Owners and/or occupants of mobile homes that are displaced by a public project may be eligible for different types of relocation payments depending on different situations in relation to ownership and occupancy.
- B. There are different combinations of ownership and occupancy when dealing with mobile homes, as follows:
 1. A displacee owns both the mobile home and the site on which the mobile home is located.
 2. A displacee owns the mobile home but rents the site on which the mobile home is located.
 3. A displacee rents the mobile home. The lot rent may or may not be included in the rent of the mobile home. This situation will be handled as a typical residential relocation of a 90-Day Tenant.
- C. All occupants of mobile homes being displaced are eligible for the costs to move their personal property located inside the mobile home and for advisory services. In addition, decent, safe, and sanitary replacement housing must be made available.

12-8.2 Basic Mobile Home Relocation

- A. Mobile homes are most often determined to be personal property rather than real property. The basic benefit relating to personal property is the payment of the cost to move such personal property.
- B. The owner of the mobile home may be reimbursed for the actual and reasonable costs of moving the mobile home from the displacement site to an acceptable replacement location and for making that mobile home meet decent, safe, and sanitary standards.
 1. The relocation agent secures three estimates, if possible, to move the mobile home from the displacement site to the replacement site. The estimates should include all disconnect, tear down, transportation, set up, and reconnect costs associated with the move of the mobile home.

2. The estimate should also include the cost of disassembling, moving, and reassembling any attached appurtenances, such as porches, decks, skirting, and awnings; anchoring of the home; and utility hookup charges. If any of the attached appurtenances need to be replaced, the department should pay for these costs as well.
 3. The lowest acceptable estimate will be selected as the mover if the displacee wants to have their mobile home moved. If the displacee wants to move their mobile home themselves, they should be offered a self move in an amount not to exceed the amount of the lowest acceptable estimate.
- C. Any utility connections that are not included in the move estimates will have to be paid as incidental move expenses.
- D. Mobile Home Park Entrance Fees — If a displaced mobile home owner is required to pay an entrance fee to move their mobile home into a mobile home park, that fee will be paid as an incidental moving cost.
- E. If the mobile home is acquired as real property, there is no payment to the mobile home owner for moving the mobile home to a replacement site.

12-8.3 Replacement Housing Payments for Mobile Home Owners

12-8.3.1 Circumstances Requiring Replacement Housing for Mobile Home Owners

- A. If the mobile home being displaced will not meet entrance requirements for any mobile home park in the area, a replacement mobile home will have to be made available that will meet any such park requirements.
- B. If the mobile home is determined to be incapable of being moved without complete or substantially irreparable damage, a replacement mobile home will have to be made available to the displaced person.

12-8.3.2 Eligibility Requirements

Ownership and occupancy requirements for receiving any Replacement Housing Benefit as a mobile home owner are the same as for a regular residential housing situation. The requirements for an owner occupant in a typical, constructed residential dwelling are to be applied to the occupant of a mobile home in all respects. Refer to Section 12-6.1 for these requirements.

12-8.3.3 Calculations of Replacement Housing Payments

All calculations of Replacement Housing Payments for mobile homes are to be done in the same manner as for residential displacements described in Section 12-6. The types of Replacement Housing Payments for the different combinations of ownership and occupancy are as follows:

- A. If the displaced person owns both the mobile home and the site, the relocation agent should calculate the following:
1. A Price Differential for the mobile home.
 2. A Price Differential for the site.

- B. If the displaced person owns the mobile home, but rents the site, the relocation agent should calculate the following:
 - 1. A Price Differential for the mobile home.
 - 2. A Rent Supplement for the site.

12-8.4 Other Considerations

- A. Partial Acquisition of Mobile Home Park — If WSDOT determines that its land acquisition will result in mobile home dwellings not within the actual acquisition area being forced to move, those mobile home owners and/or occupants may be eligible to receive the same payments as though their dwellings were within the actual taking. Prior to any contact with such owners and occupants relative to relocation benefits, the region conducts an investigation and submits a report to the ADRAP for authorization to provide relocation benefits. Such report includes the basis for such determination about being displaced, the number of mobile homes being forced to move and any other relevant facts or information.
- B. Computation on Next Highest Type Dwelling — When a comparable mobile home is not available, the replacement housing payment is calculated using the next highest type of dwelling that is available and meets applicable requirements and standards, i.e., a higher type mobile home or a conventional dwelling.

